

# PRULink Bond Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

## Key Information and Investment Disclosure

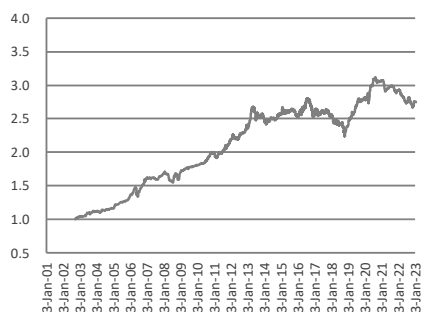
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	24 September 2002	Fund Classification	Diversified
NAVPU (PHP)	2.7474	Minimum Risk Rating	1 (Conservative)
Fund Size	PHP 17.81 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	1.53% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	Markit iBoxx ALBI Philippines

## Fund Objective

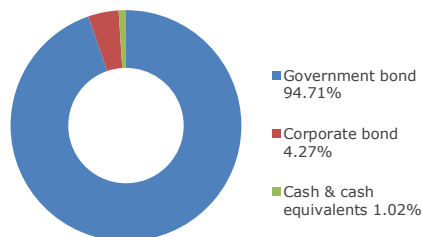
The Fund seeks to achieve an optimal level of income in the medium-term together with long-term capital growth through investments in fixed-income securities and money market instruments.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

## Asset Allocation



## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
Fund	1.19%	-5.82%	1.52%	-5.82%	5.11%

## Fund Statistics

Highest NAVPU reached	(20 Aug 20)	3.11410
Lowest NAVPU reached	(24 Sep 02)	1.00000
Initial NAVPU	(24 Sep 02)	1.00000

## Top 10 Holdings

1	PHILIPPINES (REPUBLIC OF)	2.625%	12-AUG-2025	7.38%
2	PHILIPPINES (REPUBLIC OF)	4.625%	2-JUN-2027	5.86%
3	PHILIPPINES (REPUBLIC OF)	8%	19-JUL-2031	4.61%
4	PHILIPPINES (REPUBLIC OF)	4.875%	4-MAR-2027	4.31%
5	PHILIPPINES (REPUBLIC OF)	3.75%	12-AUG-2028	3.70%
6	PHILIPPINES (REPUBLIC OF)	6.875%	10-JAN-2029	3.60%
7	PHILIPPINES (REPUBLIC OF)	2.375%	9-MAR-2024	3.59%
8	PHILIPPINES (REPUBLIC OF)	3.625%	22-APR-2028	3.48%
9	PHILIPPINES (REPUBLIC OF)	3.625%	9-SEP-2025	3.24%
10	PHILIPPINES (REPUBLIC OF)	4.75%	4-MAY-2027	3.23%

## Fund Manager's Commentary

In December, government bond yields were higher in most developed economies such as US, Germany, and Japan. The Federal Reserve (Fed), European Central Bank and the Bank of England all hiked their policy rates by 50 basis points (bps) during the month. The Fed's policy rate hike of 50 bps was slower than the 75 bps increases in previous meetings. Meanwhile, the Bank of Japan unexpectedly widened its target range for the 10-year Japanese government bond yield to +/-50 bps on either side of 0% from +/- 25 bps. The US Treasury ten-year and five-year yields rose by the same magnitude, 27 bps while 2-year yields were up marginally by 12 bps as the Fed reiterated its determination to keep raising rates and tame inflation.

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## Fund Manager's Commentary on PRULink Bond Fund

While acknowledging the slower pace of economic growth, the Fed Chairman reiterated that price stability remains the chief focus for the central bank. At the December meeting, Federal Reserve Board members lowered their outlook on the US economy. The median projection for 2023 real gross domestic product (GDP) fell to 0.5%, down from 1.2% at the September meeting. Over the course of the recent two Fed projections, contributing central bank members raised their forecasts for unemployment while also revising their inflation estimates upwards.

November headline consumer price index (CPI) prints in the Asia region eased for the most part as food prices moderated, however, core inflation remained sticky. The headline CPI for the Philippines rose to 8.0% year-on-year (YoY) from 7.7% YoY in October, beating expectations for the third consecutive month as food price pressure continued to rise. Core inflation spiked to 6.5% YoY, rising in line with robust demand, minimum wage hike, and second round effects of transport price hikes.

Central banks across the Asia region continued to raise rates in the last month of the year to cool inflation and support currencies pressured by the Fed's interest rate increases. Policymakers in India, Indonesia and the Philippines increased its key rate by 35bps, 25bps and 50bps respectively. The Bangko Sentral ng Pilipinas (BSP) closed the policy rate at 5.5% in 2022.

Asian domestic bond market's gains were generally led by lower rates in several local government bond markets such as Malaysia, Thailand, and Indonesia as well as due to positive Asian foreign exchange returns (against US dollar). Against such backdrop, the Asian local currency bond market as represented by Markit iBoxx Asian Local Bond Index rose by 2.9% (in US dollar terms) in December. In the Philippines, the domestic bond market rose by 1.2% (in local currency terms) against the backdrop of easing interest rates. The Philippines government bond yields curve bull-flattened in the month of December.

Meanwhile, market sentiment turned positive in Asia as Chinese government eased COVID-19 controls and introduced a series of measure to support the property sector. On 26 December, the Chinese authorities announced that all COVID-19 quarantine measures to be lifted from 8 January.

On macro front, the gross international reserves (GIR) declined to USD 95.1 billion in November from \$108 billion at the beginning of 2022. The lowest GIR level was \$93 billion in September. Cash remittances increased by 3.1% YoY in the first 10-months of the year to USD 26.736 billion.

The portfolio's spread effect and accrual income contributed positively to relative performance while curve effects negated some gains over the month.

In December, we maintained an overall neutral duration position. RPNB yields retraced higher in the first half of December and we took the opportunity to slightly increase the duration overweight in the 5-10Y part of the curve and close the duration underweight gap in the 10-15Y portion. Recent US inflation prints have shown that inflation momentum has been weakening but we continue to expect the US Federal Reserve to continue hiking rates as inflation is likely to remain elevated, and this could mean that US Treasury yields have yet to peak. Locally, while inflation looks to have peaked in the Philippines, it could stay elevated for longer and force BSP to remain focused on inflation. Growth should continue holding up well, supported by pent-up demand. We expect BSP to continue being on their toes but they could switch to a wait-and-see approach given that they have tightened very aggressively and the pressure on the FX front has come off due to a much weaker dollar. The market has rallied strongly in Jan and the curve has flattened a lot as we have envisioned, causing valuations to look rich. We will maintain an overall neutral duration position and are inclined to take some profit here.

# PRULink Managed Fund

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PRU LIFE U.K. 

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## Key Information and Investment Disclosure

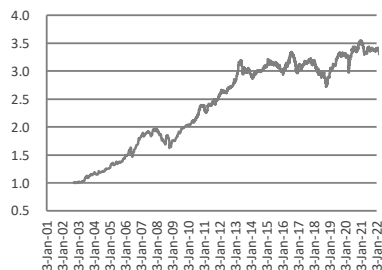
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	24 September 2002	Fund Classification	Diversified
NAVpu (PHP)	3.17094	Minimum Risk Rating	2 (Moderate)
Fund Size	PHP 4.92 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	1.79% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	80% Markit iBoxx ALB Philippines + 20% PCI Philippine Stock Exchange Index (PSEi)

## Fund Objective

The Fund seeks to optimize medium- to long-term capital and income growth through investment in fixed-income securities, money market instruments and shares of stock listed in the Philippine Stock Exchange.

## Performance Chart



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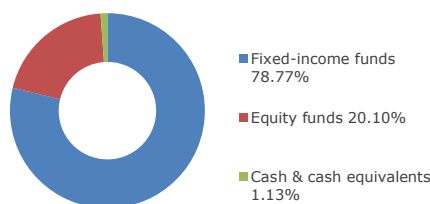
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	0.31%	-6.12%	0.10%	-6.12%	5.85%

## Fund Statistics

Highest NAVPU reached	(17 Dec 20)	3.54174
Lowest NAVPU reached	(23 Oct 02)	0.99568
Initial NAVPU	(24 Sep 02)	1.00000

## Asset Allocation



## Top 10 Holdings

1	PRULINK BOND FUND	78.77%
2	PRULINK EQUITY FUND	20.10%
3	CASH & CASH EQUIVALENTS (PHP)	1.13%

Note: Refer to the Top 10 holdings of PRULink Bond and Equity Funds.

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

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## Fund Manager's Commentary on PRULink Managed Fund

The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. The Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50bps to 5.5%, in line with expectations. The trade deficit narrowed to US 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month drop in headline imports whilst overall exports were up 8.5% month-on-month.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87%, respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamps out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. This mixed picture suggests choppiness in the near-term and as such diversification – factor, country, sector, etc., is vital in such environment.

# PRULink US Dollar Bond Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

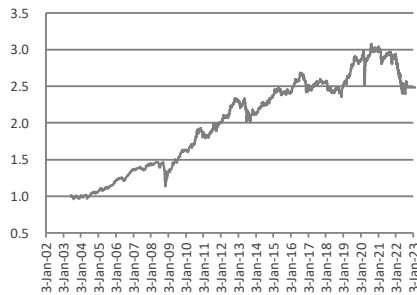
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	03 June 2003	Fund Classification	Diversified
NAVpu (USD)	2.41800	Minimum Risk Rating	1 (Conservative)
Fund Size	USD 88.50 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.53% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	JPM USD EMBI Global Philippines

## Fund Objective

The Fund seeks to achieve an optimal level of income in the medium-term together with long-term capital growth through investments in fixed-income securities denominated in USD.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

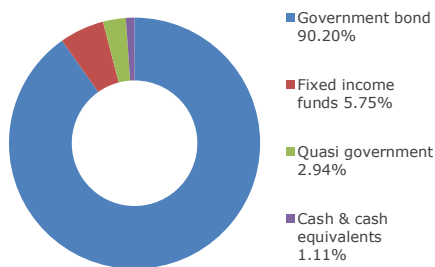
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	0.68%	-17.46%	-1.12%	-17.46%	4.61%

## Fund Statistics

Highest NAVPU reached	(12 Aug 20)	3.07860
Lowest NAVPU reached	(05 Aug 03)	0.96080
Initial NAVPU	(03 Jun 03)	1.00000

## Asset Allocation



## Top 10 Holdings

1	PHILIPPINES (REPUBLIC OF) 9.5% 2-FEB-2030	9.77%
2	PHILIPPINES (REPUBLIC OF) 7.75% 14-JAN-2031	9.70%
3	PHILIPPINES (REPUBLIC OF) 6.375% 23-OCT-2034	8.86%
4	PHILIPPINES (REPUBLIC OF) 3% 1-FEB-2028	7.99%
5	PHILIPPINES (REPUBLIC OF) 3.7% 1-MAR-2041	7.08%
6	PHILIPPINES (REPUBLIC OF) 3.7% 2-FEB-2042	6.80%
7	PHILIPPINES (REPUBLIC OF) 3.95% 20-JAN-2040	6.77%
8	EASTSPRING INV ASIAN BOND D USD	5.75%
9	PHILIPPINES (REPUBLIC OF) 3.75% 14-JAN-2029	5.60%
10	PHILIPPINES (REPUBLIC OF) 2.65% 10-DEC-2045	4.55%

## Fund Manager's Commentary

In December, government bond yields were higher in most developed economies such as US, Germany, and Japan. The Federal Reserve (Fed), European Central Bank and the Bank of England all hiked their policy rates by 50 basis points (bps) during the month. The Fed's policy rate hike of 50 bps was slower than the 75 bps increases in previous meetings. Meanwhile, the Bank of Japan unexpectedly widened its target range for the 10-year Japanese government bond yield to +/-50 bps on either side of 0% from +/- 25 bps. The US Treasury ten-year and five-year yields rose by the same magnitude of 27 bps while 2-year yields were up marginally by 12 bps as the Fed reiterated its determination to keep raising rates and tame inflation.

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## Fund Manager's Commentary on PRULink US Dollar Bond Fund

While acknowledging the slower pace of economic growth, the Fed Chairman reiterated that price stability remains the chief focus for the central bank. At the December meeting, Federal Reserve Board members lowered their outlook on the US economy. The median projection for 2023 real gross domestic product (GDP) fell to 0.5%, down from 1.2% at the September meeting. Over the course of the recent two Fed projections, contributing central bank members raised their forecasts for unemployment while also revising their inflation estimates upwards.

In December, the JPMorgan EMBI Global Philippine index delivered positive returns of 1.34% was attributed to tightening of sovereign spreads and US Treasury yields rose. Risk sentiment improved as investors remained excited about China's re-opening and positive headlines regarding the property sector.

On macro front, the gross international reserves (GIR) dropped to \$95.1 billion in November from USD 108 billion at the beginning of 2022. The lowest GIR level was USD 93 billion in September. Cash remittances increased by 3.1% YoY in the first 10-months of the year to USD 26.736 billion.

The portfolio's curve positioning detracted relative performance but exposures to the underlying sub-fund Asian USD Bond and accrual income helped to narrow the underperformance.

In December, we maintained a slight overall duration overweight, via Asian credits. We think Asian credits can recover further on the back of China's re-opening and a moderation in inflation globally. Asian credit spreads are still relatively attractive and the impact of China's re-opening on other economies in Asia has yet to be felt, so there could be further legs to this positive momentum. Therefore, we are inclined to keep our allocation to Asian credit. The market sentiment has turned quite markedly but our view is that US treasury yields could retrace higher in the short to medium-term. We participated in the new ROP issuances at the start of January and resultantly the overall duration overweight of the fund increased. We are looking to take some profit and trim the overall duration overweight back to neutral on rallies.

# PRULink Growth Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

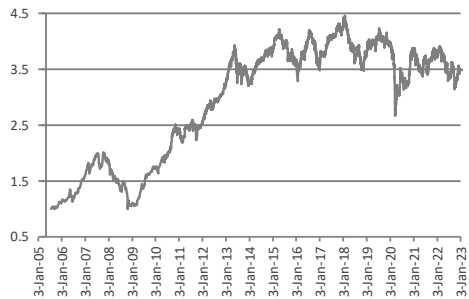
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	22 July 2005	Fund Classification	Diversified
NAVpu (PHP)	3.48691	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 16.84 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	20% Markit iBoxx ALBI Philippines + 80% PCI Philippine Stock Exchange Index (PSEi)

## Fund Objective

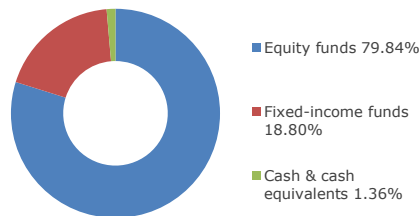
The Fund seeks to optimize medium- to long-term capital and income growth, with an emphasis on strong capital growth, through a greater focus of investment in shares of stock listed in the Philippines. The Fund also invests in fixed-income securities and money market instruments.

## Performance Chart



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## Asset Allocation



## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-2.21%	-7.06%	-4.08%	-7.06%	7.41%

## Fund Statistics

Highest NAVPU reached	(30 Jan 18)	4.45577
Lowest NAVPU reached	(28 Oct 08)	0.99584
Initial NAVPU	(22 Jul 05)	1.00000

## Top 10 Holdings

1	PRULINK EQUITY FUND	79.84%
2	PRULINK BOND FUND	18.80%
3	CASH & CASH EQUIVALENTS (PHP)	1.36%

Note: Refer to the Top 10 holdings of PRULink Bond and Equity Funds.

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth - the US, Europe and China - experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

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## Fund Manager's Commentary on PRULink Growth Fund

Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange Index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50bps to 5.5%, in line with expectations. The trade deficit narrowed to US \$3.3bn in October, better than expectations and driven mainly by a 7.9% month-on-month drop in headline imports whilst overall exports were up 8.5% month-on-month.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87% respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamp out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. This mixed picture suggests chopiness in the near-term and as such diversification – factor, country, sector, etc., is vital in such environment.



# PRULink Equity Fund

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## Key Information and Investment Disclosure

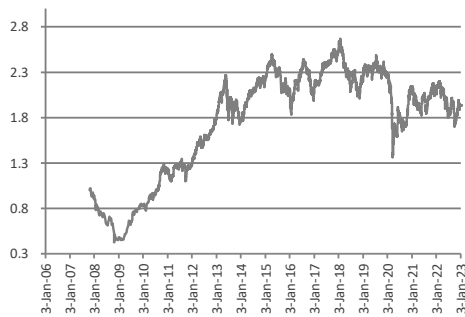
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	23 October 2007	Fund Classification	Diversified
NAVpu (PHP)	1.93536	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 66.56 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	Philippine Stock Exchange Index (PSEi)

## Fund Objective

The Fund seeks to optimize medium- to long-term capital growth through investments in shares of stock listed in the Philippines.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

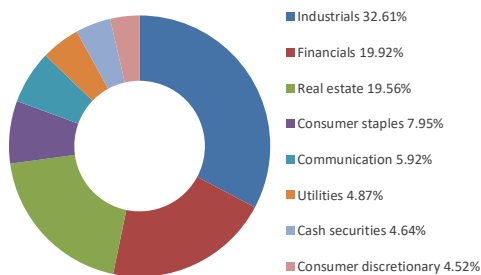
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-3.01%	-7.39%	-5.37%	-7.39%	4.44%

## Fund Statistics

Highest NAVPU reached	(30 Jan 18)	2.66632
Lowest NAVPU reached	(28 Oct 08)	0.42505
Initial NAVPU	(23 Oct 07)	1.00000

## Sector Allocation



## Top 10 Holdings

1	SM PRIME HOLDINGS INC	9.62%
2	SM INVESTMENTS CORP	9.60%
3	BDO UNIBANK INC	7.57%
4	AYALA LAND INC	7.51%
5	BANK OF THE PHILIPPINE ISLANDS	7.06%
6	INTERNATIONAL CONTAINER TERMINAL SERVICES INC	6.25%
7	AYALA CORPORATION	5.88%
8	CASH & CASH EQUIVALENTS (PHP)	4.56%
9	UNIVERSAL ROBINA CORP	3.92%
10	JG SUMMIT HOLDINGS INC	3.77%

## Fund Manager's Commentary

### Market Review

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to the continuous drag from the Russia-Ukraine crisis, inflation pressures and tightening by central banks. Asian, Emerging Markets (EM) and Developed Markets (DM) equities underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

*(Continued on the next page)*

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## Fund Manager's Commentary on PRULink Equity Fund

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The Bangko Sentral ng Pilipinas (BSP) raised the benchmark policy rate by 50 basis points (bps) to 5.5%, in line with expectations. The trade deficit narrowed to US 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month (MoM) drop in headline imports whilst overall exports were up 8.5% MoM.

### Key Contributors

The overweights in Cosco Capital and Alliance Global Group, and underweight in Monde Nissin were amongst the top contributors to relative performance.

Cosco Capital rallied during December, rewarding our overweight, as more defensive sectors benefited from the broad decline of the wider market over the month. The company's dividend announcement—comprising a regular and special payout—also strongly supported sentiment, with the dividend representing a 58 percent year-on-year increase in annual dividends, equivalent to 20 percent of the company's prior year net income.

Alliance Global Group also strongly outperformed the broad market, benefiting our overweight position. China's softer stance towards COVID, followed by the news of full border reopening, helped to buoy the stock with the group's tourism business expected to benefit in 2023 from the anticipated ramp up of Chinese tourists.

Monde Nissin declined, rewarding our underweight. Last month, the company reported a 46% decline in net income for the third quarter of 2022, with sentiment remaining weak going into December.

### Key Detractors

The underweight in ACEN and Emperador, and overweight in PLDT were amongst the key detractors from relative performance during the month.

ACEN benefited from acquisition news during the month. It was reported that the company had acquired shares from two companies in line with its takeover of a special purpose vehicle that will develop a 60-megawatt peak (MWp) solar power plant in San Manuel, Pangasinan. Emperador benefited from the broader global risk-off sentiment, as more defensive sectors benefited from the broad decline of the wider market over the month.

PLDT declined sharply during December following the disclosure of P48-billion budget overrun of its network and infrastructure projects in the last four years. The company announced a management reorganisation to address the reasons behind the overruns. Later in the month, the SEC announced that it was looking at the initial selloff which appeared to begin before the company made the official disclosure to the market.

### Fund Activity

The Fund closed the position in EastWest Bank. The Fund did not initiate any new positions during the month.

### Outlook

Inflation and FX fluctuations will continue to exert an outsized influence on Philippine equities. Inflation print remains persistently high, creeping up 0.1% MoM to 8.1% in December. Food inflation was a major inflation contributor, while energy inflation appears to have stabilised along with the decline in global energy commodities. On the flip side, Philippine pesos continued its upward march in December and January, strengthening +1.6% MoM and 1.5% MoM respectively amid more hawkish comments from BSP and benign commodity price environment.

Despite persistently high inflation, we are turning constructive on the Philippines market. Firstly, we think that inflation should moderate into 2023 on stronger currency and falling global commodity prices. In addition, consumer demand remained resilient in spite of surging prices in 2022, driven by i) rising employment rates; ii) growth in overseas remittances and iii) sustained BPO expansion in the Philippines and these trends should continue into 2023.

Therefore, despite a weak global macro outlook, we think that Philippines' large domestic economy should provide some downside buffer, and its economic growth should continue to hold up better than regional peers that are more exposed to global commodities and economies, such as Indonesia, Malaysia and Singapore.

In our view, the aforementioned should be supportive of a valuation re-rating for the Philippine equities. The PCOMP index is currently trading at ~14x P/E, -1sd below its historical 5-year mean. We see potential re-rating catalysts coming from tapering Fed rate hikes, improving inflation and stabilisation in Peso weakness. Having said that, we note that the recent US inflation print is still ahead of the Fed's 2% target. Until we get a firm read on inflation trends, we believe markets will continue to be volatile.

# PRULink Proactive Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

## Key Information and Investment Disclosure

(all data as at 03 January 2023 unless otherwise stated)

Launch Date	17 February 2009	Fund Classification	Diversified
NAVpu (PHP)	2.03459	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 16.31 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	50% Markit iBoxx ALBI Philippines + 50% PCI PSEI - Philippine Stock Exchange Index

## Fund Objective

The Fund seeks to optimize medium- to long-term capital and income growth with emphasis on dynamic asset allocation by fund managers through investment in fixed-income securities, money market instruments, and shares of stock listed in the Philippines.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

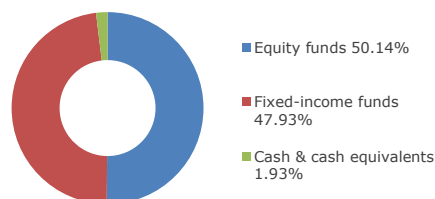
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-0.98%	-6.82%	-2.28%	-6.82%	5.25%

## Fund Statistics

Highest NAVPU reached	(30 Jan 18)	2.34008
Lowest NAVPU reached	(03 Mar 09)	0.99950
Initial NAVPU	(17 Feb 09)	1.00000

## Asset Allocation



## Top 10 Holdings

1	PRULINK EQUITY FUND	50.14%
2	PRULINK BOND FUND	47.93%
3	CASH & CASH EQUIVALENTS (PHP)	1.93%

Note: Refer to the Top 10 holdings of PRULink Bond and Equity Funds.

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

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## Fund Manager's Commentary on PRULink Proactive Fund

Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms, respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50 bps to 5.5%, in line with expectations. The trade deficit narrowed to US 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month (MoM) drop in headline imports whilst overall exports were up 8.5% MoM.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87%, respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamp out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. This mixed picture suggests choppiness in the near-term and as such diversification – factor, country, sector, etc., is vital in such environment.

# PRULink Asian Local Bond Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

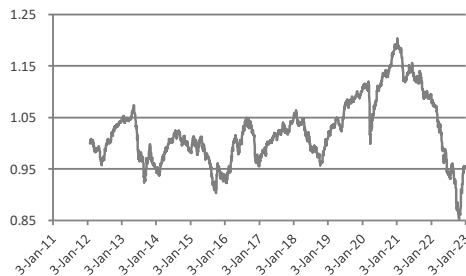
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	28 January 2012	Fund Classification	Diversified
NAVpu (USD)	0.95386	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 6.60 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.80% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	Markit iBoxx ALBI x Chn Twd Cust

## Fund Objective

The Fund is structured as a feeder fund which invests in the Eastspring Investments – Asian Local Bond Fund (EI-Asian Local Bond Fund). The EI-Asian Local Bond Fund invests in a diversified portfolio consisting primarily of fixed-income / debt securities issued by Asian entities or their subsidiaries. This Fund's portfolio primarily consists of securities denominated in the various Asian currencies and aims to maximize total returns through investing in fixed-income or debt securities that are rated as well as unrated.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

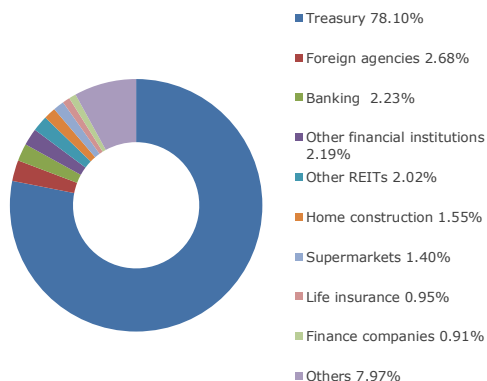
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	3.49%	-12.88%	-1.87%	-12.88%	-0.43%

## Fund Statistics

Highest NAVPU reached	(05 Jan 21)	1.20318
Lowest NAVPU reached	(24 Oct 22)	0.85255
Initial NAVPU	(28 Jan 12)	1.00000

## Sector Allocation



## Top 10 Holdings

1	KOREA (REPUBLIC OF) 1.25% 10-MAR-2026	1.44%
2	KOREA (REPUBLIC OF) 2% 10-JUN-2031	1.31%
3	THAILAND KINGDOM OF (GOVT) 2% 17-DEC-2031	1.31%
4	INDONESIA (REPUBLIC OF) 6.5% 15-FEB-2031	1.28%
5	INDIA (REPUBLIC OF) 5.63% 12-APR-2026	1.25%
6	FORWARD SINGAPORE DOLLAR	1.24%
7	THAILAND KINGDOM OF (GOVT) 1.585% 17-DEC-2035	1.15%
8	INDONESIA (REPUBLIC OF) 5.125% 15-APR-2027	1.01%
9	MALAYSIA (GOVERNMENT) 2.632% 15-APR-2031	1.00%
10	THAILAND KINGDOM OF (GOVT) 0.95% 17-JUN-2025	0.99%

## Fund Manager's Commentary

In December, government bond yields were higher in most developed economies such as US, Germany, and Japan. The Federal Reserve (Fed), European Central Bank and the Bank of England all hiked their policy rates by 50 basis points (bps) during the month. The Fed's policy rate hike of 50 bps was slower than the 75 bps increases in previous meetings. The US Treasury ten-year and five-year yields rose by the same magnitude, 27 bps while 2-year yields were up marginally by 12 bps as the Fed reiterated its determination to keep raising rates and tame inflation.

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## Fund Manager's Commentary on PRULink Asian Local Bond Fund

While acknowledging the slower pace of economic growth, the Fed Chairman reiterated that price stability remains the chief focus for the central bank. At the December meeting, Federal Reserve Board members lowered their outlook on the US economy. The median projection for 2023 real gross domestic product (GDP) fell to 0.5%, down from 1.2% at the September meeting. Over the course of the recent two Fed projections, contributing central bank members raised their forecasts for unemployment while also revising their inflation estimates upwards.

November headline consumer price index (CPI) prints in the Asia region eased for the most part as food prices moderated, however, core inflation remained sticky. Central banks across the Asia region continued to raise rates in the last month of the year to cool inflation and support currencies pressured by the Fed's interest rate increases. Policymakers in India, Indonesia and the Philippines increased its key rate by 35 bps, 25 bps and 50 bps, respectively.

Asian domestic bond market's gains were generally led by lower rates in several local government bond markets such as Malaysia, Thailand, and Indonesia as well as due to positive Asian foreign exchange returns (against US dollar). Overall, all markets recorded positive returns in local currency terms. Against such backdrop, the Asian local currency bond market as represented by customised Markit iBoxx Asian Local Bond Index rose by 2.7% (in US dollar terms) in December.

Meanwhile, market sentiment turned positive in Asia as Chinese government eased COVID-19 controls and introduced a series of measure to support the property sector. On 26 December, the Chinese authorities announced that all COVID-19 quarantine measures to be lifted from 8 January.

In general, Asian currencies strengthened for the second consecutive month in December due to easing US dollar as the market focused on the reopening of the Chinese economy from COVID-19 restrictions. Korean Won rallied the most followed by Chinese Yuan. Indian Rupee, on the other hand, the worst performing currency against US dollar during the month.

In December, the portfolio's positive security selection via exposures to USD corporates in particular real estate sector contributed the most to relative performance on the back of the China's re-opening optimism and positive headlines regarding the property sector. The portfolio's curve positioning was marginally negative as duration underweight in Hong Kong and slight overweight in Korea hurt relative performance. Overall currency effect was more muted and accrual income added value to performance.

The market narrative has shifted markedly since December. Recent inflation prints have provided additional comfort to investors that inflation has peaked and will moderate in months to come. The US labour market continues to be highly resilient despite significant tightening of monetary conditions, augmenting expectations of a soft landing in 2023. China's rapid reversal of its zero covid strategy has improved the previous dire economic outlook for 2023. Investors are now expecting a swift demand recovery after the initial phase of widespread infections. Broadly speaking, the global macro-economic outlook has brightened significantly since the turn of the year.

The recovery of investor risk appetite over the past 2 months has been palpable. In China, the combination of ZCS reversal, together with greater co-ordinated policy support to the troubled real estate sector and pro-growth initiatives unveiled progressively in recent weeks, has provided a hard floor to risk assets. Increasingly, there is growing expectations that China's rebound will also be a key positive for the broader Asian complex. Flow of funds data have reflected this view with meaningful inflows registered into key Asian local markets since the end of 2022. Asia bond and currency markets have rallied correspondingly across the board, with the low yielding markets and currencies performing better.

With the new year rally firmly entrenched, both Asian yields and FX have rallied a lot in a short space of time. Positioning in Asian currency markets against the USD are now net long, after having been relatively short as recently as November. Long end local government bond yields in select markets are revisiting the lows seen in Aug. UST yields, both in the short and long end, are at the lower end of their recent ranges, even as the Fed has committed to continue hiking policy rates towards 5%. There could be room for UST yields to gradually grind higher. Resultingly, valuations and technicals for Asian local are not particularly attractive in the near term, even as fundamentals have markedly improved. We are thus not inclined to chase the rally at this point. We are positioned relatively neutral in FX, and slightly overweight in duration, but would look to add to risk on any correction. We are also cautious about new year flows, which can often reverse as quickly as they come.

# PRULink Asia Pacific Equity Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

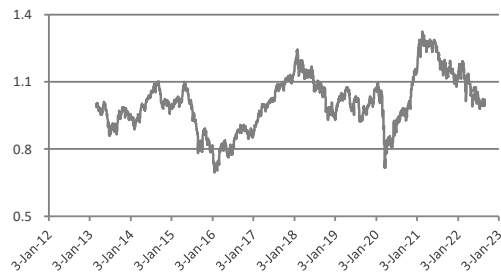
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	26 February 2013	Fund Classification	Diversified
NAVpu (USD)	1.00997	Minimum Risk Rating	3 (Aggressive)
Fund Size	USD 15.84 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	2.05% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	MSCI APXJ Index (Net)

## Fund Objective

The Fund is structured as a feeder fund which invests in the Eastspring Investments – Asia Pacific Equity Fund, which aims to maximize long-term total return by investing primarily in equity and equity-related securities of companies which are incorporated, listed in or have their area of primary activity in the Asia Pacific ex-Japan Region. This Fund may also invest in depository receipts including American Depository Receipts and Global Depository Receipts, debt securities convertible into common shares, preference shares and warrants.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

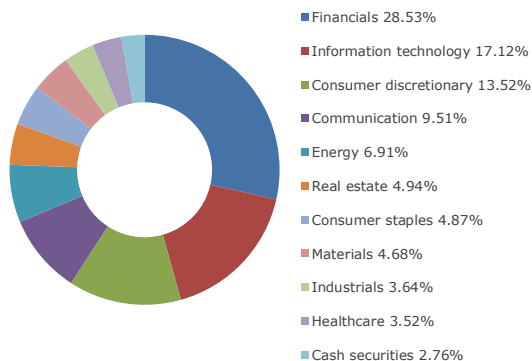
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	2.36%	-9.43%	-2.51%	-9.43%	0.10%

## Fund Statistics

Highest NAVPU reached	(18 Feb 21)	1.32381
Lowest NAVPU reached	(22 Jan 16)	0.69551
Initial reached	(26 Feb 13)	1.00000

## Sector Allocation



## Top 10 Holdings

1	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	5.63%
2	TENCENT HOLDINGS LTD	5.31%
3	SAMSUNG ELECTRONICS CO LTD	5.17%
4	BHP GROUP LTD	3.00%
5	ALIBABA GROUP HOLDING LTD	2.94%
6	BOC HONG KONG HOLDINGS LTD	2.66%
7	CHINA CONSTRUCTION BANK CORP	2.55%
8	CASH & CASH EQUIVALENTS (USD)	2.54%
9	BANGKOK BANK PCL	2.26%
10	BAIDU INC	2.23%

## Fund Manager's Commentary

### Key Contributors

Stock selection within Hong Kong, India, and Taiwan were key contributors to relative performance during the month. At a sector level stock selection within Financials, Consumer Discretionary and Communication Services added value.

At a stock level we saw the largest contribution from the Fund's overweight positions in Sands China, Tencent and Sun Hung Kai Properties.

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## Fund Manager's Commentary on PRULink Asia Pacific Equity Fund

### Key Detractors

At a country level, stock selection within Indonesia, Singapore and Malaysia detracted from relative performance during the period. At a sector level, stock selection within Health Care, Utilities and Industrials detracted from relative performance.

At a stock level the Fund's overweight positions in CSPC Pharmaceutical, China Lesso and Bank Negara Indonesia detracted most from relative performance during the month.

### Fund Activity

During the month the Fund topped up Anhui Conch, Geely Automobile, Bank of China, Indian Oil, Singapore Telecommunications, SK Hynix, CSPC Pharmaceutical, Ampol and Gree Electric Appliances while trimmed positions in National Australia Bank, Alibaba, ANZ Group, Tongcheng Travel and Bank Negara Indonesia. The Fund exited BlueScope Steel, Lotte Chemical, Hana Financial and JD.com during the month.

### Strategy and Outlook

Value style continues its outperformance since late 2020 and the outlook appears to be supportive for continued tailwinds for a disciplined value approach. Governments are focused on investing in the real economy and supporting consumers and we are seeing inflationary pressures and higher rates which have historically been supportive of value stocks and a headwind for quality and growth stocks.

With attractive headline valuations providing a good entry point, the valuation anomaly within Asian equity markets between value and quality / growth stocks remains near extreme levels and the Fund is well positioned to capture the opportunity as it unfolds.

We continue to follow our disciplined valuation driven approach with a longer-term investment view to identifying investment opportunities across Asian equity markets.



# PRUlink Global Emerging Markets Dynamic Fund

PRU LIFE U.K. 

## Fund Fact Sheet December 2022

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### Key Information and Investment Disclosure

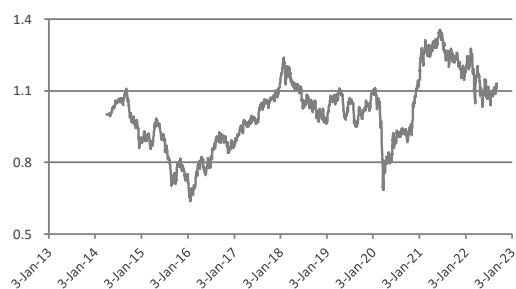
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	01 April 2014	Fund Classification	Diversified
NAVpu (USD)	1.12165	Minimum Risk Rating	3 (Aggressive)
Fund Size	USD 12.75 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	2.05% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	MSCI Emerging Markets (Net Div)

### Fund Objective

The Fund is structured as a feeder fund which invests in the Eastspring Investments – Global Emerging Markets Dynamic Fund, which aims to generate long-term capital growth through a concentrated portfolio of equities, equity-related securities, and bonds. This Fund invests primarily in securities of companies which are incorporated, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from the emerging markets worldwide. This Fund may also invest in depository receipts including American Depositary Receipts and Global Depositary Receipts, preference shares and warrants.

### Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

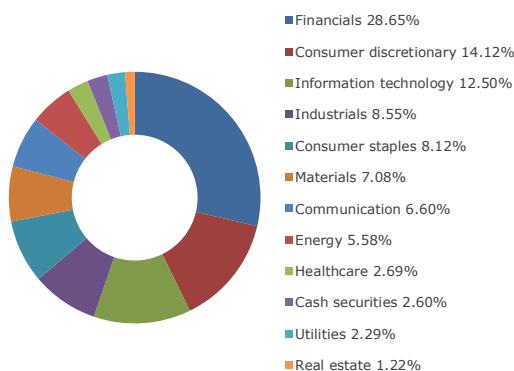
### Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	4.85%	-5.21%	-0.23%	-5.21%	1.32%

### Fund Statistics

Highest NAVPU reached	(11 Jun 21)	1.35594
Lowest NAVPU reached	(22 Jan 16)	0.63696
Initial NAVPU	(01 Apr 14)	1.00000

### Sector Allocation



### Top 10 Holdings

1	SAMSUNG ELECTRONICS CO LTD	5.56%
2	NASPERS LTD	4.39%
3	PING AN INSURANCE GROUP CO OF CHINA LTD	4.05%
4	INDUSIND BANK LTD	3.92%
5	HON HAI PRECISION INDUSTRY CO LTD	3.68%
6	KOMERCNI BANKA AS	3.12%
7	TONGCHENG TRAVEL HOLDINGS LTD	3.09%
8	BAIDU INC	3.01%
9	SHRIRAM FINANCE LTD	2.93%
10	SINOPHARM GROUP CO LTD	2.69%

### Fund Manager's Commentary

#### Market Review

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment.

(Continued on the next page)

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## Fund Manager's Commentary on PRUlink Global Emerging Markets Dynamic Fund

All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund. Previously in October, the IMF already cut its outlook for global economic growth in 2023.

MSCI EM fell by 1.6% in December, outperforming MSCI DM (-4.3%) by 2.7%. EM equities and currencies were mixed as investors weighed the impact of the latest moves by China to reopen its economy on the outlook for global growth and inflation. As expected, the Fed hiked the rates by 50 basis points (bps) in December but with a hawkish surprise. US Treasury yields rose 27 bps to 3.87%.

EM Asia fell by 1.0% in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China returning 5.2% in USD terms. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. Its official manufacturing Purchasing Managers' Index (PMI) fell from 48.0 in November to 47.0 in December. On the other hand, Taiwan equities returned -5.6% as its PMI declined to a new low (43.7 in December) amid weakening global demand. As such, the Taiwanese government plans to deploy NT dollar 380 billion of funds to support its economy and combat inflation amid global uncertainties.

The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects and one-off local index addition of Delta Electronics, while Philippines underperformed, declining by 2.0% in USD terms. Separately, MSCI India returned -5.5% during the month, underperforming the Asia Pacific ex Japan and EM peers. All sectors ended in the red with Information Technology, Energy and Utilities being the weakest sectors. The Reserve Bank of India softened the pace of rate hike to 35 bps hike in December meeting to 6.25% and reasserted to ensure withdrawal of accommodation; to maintain price stability while also supporting growth.

In December, LatAm equities (-4.8%) underperformed the MSCI DM (-4.3%) and MSCI EM (-1.6%). MSCI Brazil and MSCI Chile outperformed MSCI LatAm delivering -3.6% and -4.3% respectively, while MSCI Mexico was the worst performer at -7.9% in MSCI LatAm followed by MSCI Peru (-7.8%). MSCI Argentina (13.1%) was the best performer and outperformed MSCI LatAm and MSCI EM.

MSCI Brazil (-3.6%) outperformed MSCI LatAm and underperformed MSCI EM in December. Risk aversion due to uncertainties around the much-expected Chinese recovery and discussions of a possible US recession were to blame. Locally, new social measures to alleviate generalized inflation led to increasing concerns of fiscal risk. On the macro front, quarterly gross domestic product (GDP) came out at 1.6% in 3Q. Data relative to October showed that economic activity remained stable after a 1.1% drop in August, while both industrial production and retail sales expanded, rising 0.3% and 0.5%, respectively. Services output decreased 0.6% the first drop since April. In addition, all confidence indicators declined in November, with largest reductions observed in retail and service. November consumer price index (CPI) came in at 0.41%. Lastly, real new loans decreased 2.3%, with both loans to households and corporates falling in December.

MSCI EMEA fell -3.1% in December, behind MSCI EM (-1.6%) but ahead of MSCI World (-4.3%). Turkey (+7.9%), Poland (+7.3%), Egypt (+4.8%), Greece (+4.5%), and Hungary (+0.4%) all outperformed EMEA in December. Saudi (-3.9%), South Africa (-4.0%), UAE (-6.0%), and Qatar (-10.8%) lagged.

### Key Contributors

The Fund's overweight position in Health & Happiness added most value during the month as the company's share price increased on the increased in demand for nutrition supplements amid the recent Covid outbreak in China, especially for immune-related products. Operationally, the business is doing well with both Adult Nutritional Care and Baby Nutritional Care segments growing while the Infant Milk Formula segment continues to gain market share. The stock's upside remains attractive as the business generates high cash flows and trades at discounted valuations with growing Free Cash Flow yield.

The Fund's overweight position in Vipshop Holdings contributed to the outperformance of the Fund as its share price edged higher in December following the positive sentiments on the gradual recovery of apparel demand and cost optimization efforts. This was primarily due to improving macro conditions, with supply chain and logistics efficiency largely recovered and consumer demand gradually picking up. On the expense side, the company demonstrated strong discipline and improved efficiency, which helped offset revenue pressure. We believe that the upside to Vipshop is significant given that it is still trading at a large discount to long term earnings potential.

The third largest contributor for the Fund was our overweight in Tongcheng Travel as its share price edged higher in December following a pick-up in travel intention and long-haul travel demand after many cities had seen the peak of the recent wave of Covid infection. We added initial position in the Chinese online travel company in March 2021 when the market became concerned about their dependence on Tencent, competition from Meituan and COVID19 impact on the sector. We believe that the attractive valuation and strong competitive position to benefit from travel penetration in China makes the company well placed for growth in tier 3 leisure and business travellers' segments.

### Key Detractors

The Fund's underweight position in Tencent contributed to the underperformance of the Fund as the company's share price increased over market's expectations on games growth re-acceleration with a richer games pipeline and Virtual App ramp up. The downside risks for the stock are substantial underpinned by regulatory headwinds, slowdown in games revenue, decline in advertising due to competition from Douyin/Kuaishou and pullback on loss making businesses. Further, Tencent is not cheap in absolute terms, trading at 22.9x forward 12m P/E with current earnings held up by relatively mature games like Honor of Kings and Peacekeeper.

*(Continued on the next page)*

## Fund Manager's Commentary on PRUlink Global Emerging Markets Dynamic Fund

The Fund's overweight position in China Lesso detracted from relative performance as its share price was affected by concerns on rising costs of raw materials. We believe that the margins for its main segment, namely plastic piping systems, building materials & interior decoration segments, will stabilise as we see pass-through pricing potential, helped further by its automation efforts. This is supported by significant valuation discount to its sustainable earnings potential.

The Fund's underweight position in Alibaba detracted from relative performance as its share price rebounded in the month of December underpinned by expectations on gradual demand recovery and cost optimisation. Despite the discounted valuations, Alibaba's long-term catalyst is very limited owing to weakening GMV growth rate and future earnings.

### Fund Activity

There were no notable trades during the month.

### Strategy and Outlook

Value style investing has outperformed since late 2020 and the outlook appears to be supportive for continued tailwinds for a disciplined value approach. Governments are focused on investing in the real economy and supporting consumers and we are seeing inflationary pressures and higher rates which have historically been supportive of value stocks and a headwind for quality and growth stocks.

With attractive headline valuations providing a good entry point, the valuation anomaly within Global Emerging Markets between value and quality / growth stocks remains near extreme levels and the Fund is well positioned to capture the opportunity as it unfolds.

We continue to follow our disciplined valuation driven approach with a longer-term investment view to identifying investment opportunities across the global emerging markets.

# PRULink Cash Flow Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

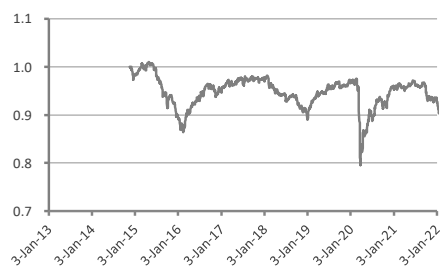
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	17 November 2014	Fund Classification	Diversified
NAVpu (USD)	0.74764	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 240.07 million	Fund Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.95% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	50% JACI + 50% BofA ML US HY Con

## Fund Objective

The Fund seeks to provide investors with regular payout by investing in a diversified portfolio consisting primarily of high-yield bonds and other fixed-income/debt securities denominated in US dollars, issued in the US market rated below BBB-, as well as fixed-income/debt securities issued by Asian entities or their subsidiaries. The Fund may, in addition, at the Fund Manager's discretion, invest up to twenty percent (20%) of its assets in dividend-yielding equities.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

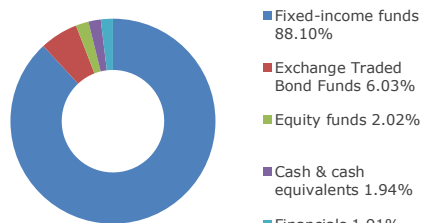
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	0.01%	-19.34%	-5.06%	-19.34%	-3.51%

## Fund Statistics

Highest NAVPU reached	(29 Apr 15)	1.01016
Lowest NAVPU reached	(07 Nov 22)	0.71947
Initial NAVPU	(17 Nov 14)	1.00000

## Asset Allocation



## Top 10 Holdings

1	EASTSPRING INV ASIAN BOND D USD	44.59%
2	EASTSPRING INV US HIGH YIELD BOND D	43.51%
3	ISHARES HIGH YIELD CORP BOND UCITS ETF USD	6.03%
4	EASTSPRING INV ASIAN EQUITY INC D	2.02%
5	CASH & CASH EQUIVALENTS (USD)	1.94%
6	ISHARE US TREASURY BOND ETF	1.91%

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023. The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

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## Fund Manager's Commentary on PRULink Cash Flow Fund

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing PMI falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50bps to 5.5%, in line with expectations. The trade deficit narrowed to USD 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month (MoM) drop in headline imports whilst overall exports were up 8.5% MoM.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87%, respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed-income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamps out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

# PRULink Asian Balanced Fund

Fund Fact Sheet

December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

## Key Information and Investment Disclosure

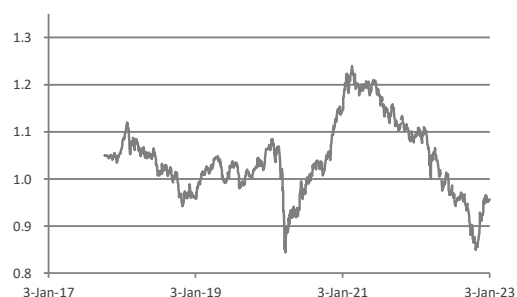
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	09 October 2017	Fund Classification	Diversified
NAVpu (USD)	0.906100	Minimum Risk Rating	2 (Moderate)
Fund Size	USD 2.19 million	Manager	Eastspring Investments Limited
Fund Currency	US Dollar	Annual Management Fee	1.95% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	50% MSAP XJ+25% JACI+25% Markit iBoxx ALBIXCT

## Fund Objective

The Fund aims to maximize total return in the medium- to long-term by primarily investing in equities/equity-related securities of companies, which are incorporated, listed in, or have their area of primary activity in the Asia-Pacific region (excluding Japan) as well as fixed-income/debt securities issued by Asian entities or their subsidiaries. The Fund is invested in three US dollar-denominated and Luxembourg-domiciled Asian SICAV funds of Eastspring Investments, namely, Asia Pacific Equity Fund, Asian Local Bond Fund, and Asian Bond Fund.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

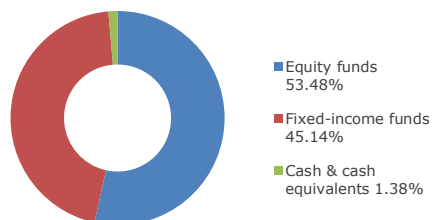
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	2.69%	-13.05%	-2.25%	-13.05%	-1.86%

## Fund Statistics

Highest NAVPU reached	(18 Feb 21)	1.18836
Lowest NAVPU reached	(24 Mar 20)	0.79397
Initial NAVPU	(09 Oct 17)	1.00000

## Asset Allocation



## Top 10 Holdings

1	EASTSPRING INV ASIA PACIFIC EQUITY	53.48%
2	EASTSPRING INV ASIAN LOCAL BOND D USD	27.08%
3	EASTSPRING INV ASIAN BOND D USD	18.06%
4	CASH & CASH EQUIVALENTS (USD)	1.38%

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

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## Fund Manager's Commentary on PRULink Asian Balanced Fund

The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms, respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50bps to 5.5%, in line with expectations. The trade deficit narrowed to USD 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month (MoM) drop in headline imports whilst overall exports were up 8.5% MoM.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87% respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamps out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. This mixed picture suggests choppiness in the near-term and as such diversification – factor, country, sector, etc. – is vital in such environment.



# PRULink Peso Cash Flow Fund Hedged Share Class



## Fund Fact Sheet December 2022

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### Key Information and Investment Disclosure

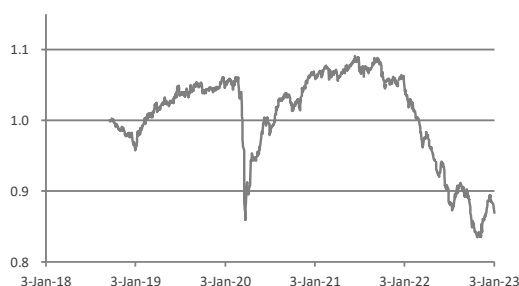
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	03 September 2018	Fund Classification	Diversified
NAVpu (PHP)	0.86922	Minimum Risk Rating	2 (Moderate)
Fund Size	PHP 6.22 billion	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	1.95% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	50% JACI + 50% BofA ML US HY Con

### Fund Objective

The Fund seeks to provide investors with regular payout by investing in a diversified portfolio consisting primarily of high-yield bonds and other fixed-income/debt securities denominated in US dollars, issued in the US market rated below BBB-, as well as fixed-income/debt securities issued by Asian entities or their subsidiaries. The Fund may, in addition, at the Fund Manager's discretion, invest up to twenty percent (20%) of its assets in dividend-yielding equities.

### Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

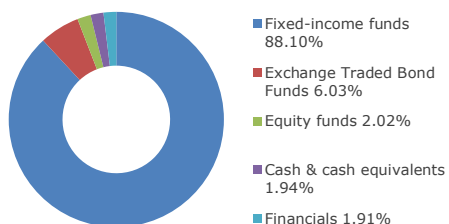
### Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	0.05%	-16.49%	n.a.	-16.49%	-3.18%

### Fund Statistics

Highest NAVPU reached	(15 Jun 21)	1.09093
Lowest NAVPU reached	(25 Oct 22)	0.83478
Initial NAVPU	(03 Sep 18)	1.00000

### Asset Allocation



### Top 10 Holdings

1	EASTSPRING INV ASIAN BOND D USD	44.59%
2	EASTSPRING INV US HIGH YIELD BOND D	43.51%
3	ISHARES HIGH YIELD CORP BOND UCITS ETF USD	6.03%
4	EASTSPRING INV ASIAN EQUITY INC D	2.02%
5	CASH & CASH EQUIVALENTS (USD)	1.94%
6	ISHARES S&P 500	1.91%

Note: See Appendix for the underlying fund holdings.

### Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment.

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## Fund Manager's Commentary on PRULink Peso Cash Flow Fund Hedged Share Class

All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023. The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing PMI falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

The Philippine Stock Exchange index (PSEi) declined by -3.1% in local currency terms in December, mildly underperforming the broader region. The BSP raised the benchmark policy rate by 50bps to 5.5%, in line with expectations. The trade deficit narrowed to USD 3.3 Bn in October, better than expectations and driven mainly by a 7.9% month-on-month (MoM) drop in headline imports whilst overall exports were up 8.5% MoM.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87%, respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed-income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades, and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamps out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

# PRULink Global Market Navigator Fund - Peso Unhedged Share Class



## Fund Fact Sheet December 2022

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

### Key Information and Investment Disclosure

(all data as at 03 January 2023 unless otherwise stated)

Launch Date	16 September 2019	Fund Classification	Diversified
NAVpu (PHP)	1.00192	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 887.29 million	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	None

### Fund Objective

The Fund is a peso-denominated multi-asset fund that aims to give better return potential by investing in a diversified pool of global assets, including equities, bonds, currencies, and cash.

### Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

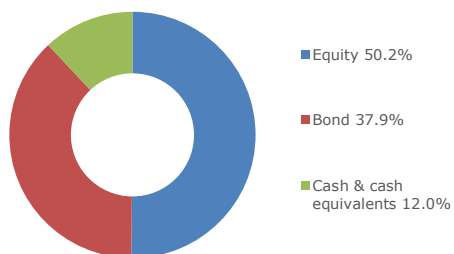
### Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-2.62%	-15.47%	n.a.	-15.47%	0.06%

### Fund Statistics

Highest NAVPU reached	(05 Jan 22)	1.19763
Lowest NAVPU reached	(24 Mar 20)	0.79212
Initial NAVPU	(16 Sep 19)	1.00000

### Asset Allocation



### Top 10 Holdings

1	ISHARES GLOBAL AGGREGATE BD ESG UCITS ETF USD ACC	13.1%
2	ISHARES MSCI USA ESG SCREENED UCITS ETF USD ACC	12.8%
3	XTRACKERS II GLOBAL AGGREGATE BND SWAP UCITS ETF 1D	11.1%
4	ISHARES \$ CORP BOND ESG UCITS ETF USD ACC	8.8%
5	ISHARES MSCI EUROPE ESG SCREENED UCITS ETF EUR ACC	8.1%
6	SPDR S&P 500 ESG SCREENED UCITS ETF USD ACC	8.0%
7	JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND	7.5%
8	ISHARES J.P. MORGAN ESG \$ EM BOND UCITS ETF USD INC	4.8%
9	ISHARES MSCI EM IMI ESG SCREENED UCITS ETF USD	4.2%
10	ISHARES MSCI JAPAN ESG SCREENED UCITS ETF USD ACC	3.1%

Note: See Appendix for the underlying fund holdings.

### Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth - the US, Europe and China - experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment. All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

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## Fund Manager's Commentary on PRULink Global Market Navigator Fund -Peso Unhedged Share Class

The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87% respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield, whose spreads were supported by positive sentiment surrounding the government's willingness to support property developers.

### Fund Performance

The Fund's absolute return was negative overall in December. The top three contributors included the following tactical trades: Europe (vs. US), US Duration (30Y vs. 2Y), and US Utilities (vs. US). The top three detractors included the following tactical trades: USD (vs. EUR), Spain (vs. Europe), and Nasdaq (vs. S&P 500).

### Outlook

Inflation was one of the key drivers of market direction last year and will remain pivotal to fixed income performance this year. Credit markets started 2022 with interest rates near their pandemic lows of close to zero but the spike in oil prices coupled with subsequent inflationary forces led the Federal Reserve to rapidly tighten monetary policy and drop its narrative that inflation is a transitory phenomenon. The Federal Funds rate was raised to its highest level in decades and we are likely to witness the impact of higher interest rates on the broader economy over the first half of this year.

If central banks successfully stamps out inflation by crushing aggregate demand, we may witness higher unemployment and slower growth, yet investors will likely favour fixed income solutions. In the event where the economy contracts and downside risks intensify, it will lead to a positive outcome for long duration bonds; at the same time, in the event when inflation falls and US growth bottoms, we believe that this may benefit credit assets, such as Asian investment grade bonds, for example.

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. While volatility and uncertainty may remain elevated in the short-term, we will remain nimble, making further tactical adjustments as market conditions continue to evolve. In the shorter term, we will reduce equity exposure further if our views indicate a further sustained downward move.

# PRULink Money Market Fund

Fund Fact Sheet December 2022



The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Pru Life UK Investments.

## Key Information and Investment Disclosure

(all data as at 03 January 2023 unless otherwise stated)

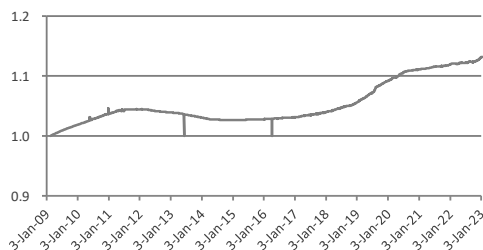
Launch Date	17 February 2009	Fund Classification	Diversified
NAVpu (PHP)	1.13181	Minimum Risk Rating	1 (Conservative)
Fund Size	PHP 600.26 million	Fund Manager	Pru Life UK Investments*
Fund Currency	Philippine Peso	Annual Management Fee	0.50% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	91-day (3-month) PH Treasury Bill

\*effective May 2022

## Fund Objective

The Fund's primary objective is capital preservation. The Fund aims to provide investors a vehicle for short-term placement investing primarily in government securities, deposits in local banks or branches of foreign banks operating in the Philippines, or financial institutions in any foreign country that has at least an investment-grade credit rating from a reputable international credit rating agency. The Fund will have a maximum duration of one (1) year.

## Performance Chart



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.

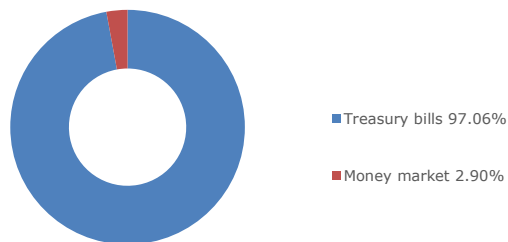
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	0.42%	1.12%	1.71%	1.12%	0.90%

## Fund Statistics

Highest NAVPU reached	(03 Jan 23)	1.13181
Lowest NAVPU reached	(07 Jun 13)	0.99991
Initial NAVPU	(17 Feb 09)	1.00000

## Asset Allocation



## Top 10 Holdings

1	BSPBIL 0 01/24/23	34.64%
2	BSPBIL 0 01/10/23	18.94%
3	RPTB 0 05/24/23	18.68%
4	RPTB 0 01/18/23 364	6.31%
5	RPTB 0 06/21/23	6.21%
6	RPTB 0 06/07/23	4.97%
7	RPGB 6.25 03/12/24 R512	2.53%
8	RPGB 4.25 04/07/25 3-27	2.44%
9	RPGB 5.5 03/08/23 5-75	1.27%
10	RPGB 4.375 02/11/23 R310	0.77%

BSPBIL - a 28-day bill issued by Bangko Sentral ng Pilipinas

RPTB - Republic of the Philippines Treasury Bills

RPGB - Republic of the Philippines Government Bonds

## Fund Manager's Commentary

### PHP Bond Market Summary and Outlook

Local yields were generally lower month-on-month for December despite Bangko Sentral ng Pilipinas' (BSP) decision to raise rates and persistent high inflation figures. The move came as most investors may have already anticipated that inflation has already peaked and so took the opportunity to position ahead.

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## Fund Manager's Commentary on PRULink Money Market Fund

On the latter part of the month, bonds had a slight selloff due to profit-taking and to serve end user requirements. For December, benchmark yields for bonds with less than a year of maturity rose by 1 bp on average. The 1-5yr space declined by 10 bps. The 5-10yr also decreased by 21 bps. The 10-20yr tenor had the most significant downswing as yields in these tenors fell by 24 bps.

On the key economic data front, inflation remains high. Latest data from the Philippine Statistics Authority (PSA) showed that Philippine consumer price index (CPI) accelerated to 8.0% year-on-year in November. The latest figure is the highest recorded since November 2008's 9.1%. The current figure is also higher than October's 7.7% and also mark the 8th straight month that CPI is outside BSP's ideal target band. For the January-to-November period, inflation averaged 5.6%, faster than the 4% in the same period a year ago. The top contributor to the sharp increase in inflation for November was the heavily weighted food and non-alcoholic beverages which rose by 10% year-on-year in November. Vegetable inflation surged 25.8% in November (from 16% in October), while sugar, confectionery and desserts rose 38% (from 34.4% in October). Core inflation, which exclude volatile prices of food and fuel, climbed 6.5% year-on-year in November from 5.9% in October and 2.4% in November 2021.

On the jobs side, unemployment is already back to pre-pandemic levels. Preliminary data from PSA shows that Philippine unemployment rate tamed to 4.5% in October, lower than the 5.0% recorded in September and 7.4% from the same month last year. The latest result is back to the record low last seen in 2019. PSA further added that the 4.5% unemployment rate translates to about 2.241 million Filipinos who do not have jobs. This was also the lowest number of jobless Filipinos since October 2019. In addition, the job quality continued to improve in October as the underemployment rate eased to 14.2% from 15.4% in September, and 16.1% a year ago. The service sector remained the top employer during the month, accounting for 59.2% of the total. This was followed by agriculture and industry with 22.5% and 18.3%, respectively.

On the monetary policy side, the BSP on their last meeting for 2022 and decided to raise the key rate by another 50 bps. The Monetary Board (MB) has now raised the benchmark rate to 5.50%, the highest it has been in the last 14 years. Given the last increase, BSP has increased a total of 350 bps since it began raising rates last May. BSP Governor Felipe Medalla shared that the MB arrived at the decision after noting a sharp increase in core inflation. When asked about their outlook, Medalla sounded off that BSP will likely continue raising rates in its next two meetings to ensure that inflation returns to BSP's target. The schedule of the meeting has not been released yet.

As for the borrowing schedule of January, Bureau of Treasury (BTr) plans to borrow a total of PHP200 Bn. PHP60 Bn will be allocated to treasury bills while PHP140 Bn will be raised through treasury bond issuances. Tenors to be issued will be a 7yr, 13yr, 20yr, and 10yr.

For our outlook, we believe that local bonds may start to gain some interest, especially on the belly-long ends, if inflation outlook improves and easing of monetary policy is being sounded off. Short-term rates may continue to face upward pressure given latest statements by the BSP that they are still not done with their rate hike plans. Meanwhile, investors may also take cues to other global indicators such as US CPI, energy prices, and US treasury movements (especially the 10yr US Treasury yield) to gauge where local yields might go. For our strategy, we are looking to slowly add duration to our portfolios cautiously and will continue to observe market movement for any developments.

# PRULink Equity Index Tracker Fund

Fund Fact Sheet December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Pru Life UK Investments.

## Key Information and Investment Disclosure

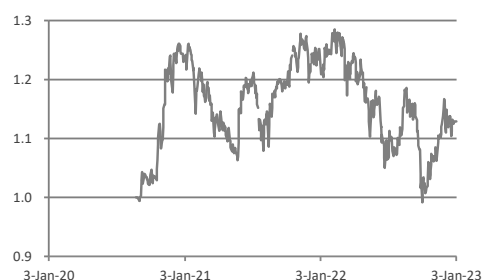
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	24 August 2020	Fund Classification	Diversified
NAVpu (PHP)	1.12879	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 909.18 million	Fund Manager	Pru Life UK Investments
Fund Currency	Philippine Peso	Annual Management Fee	1.75% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	Philippine Stock Exchange Index (PSEi)

## Fund Objective

The Fund seeks to achieve investment returns that track the performance of the PSEi by investing in a diversified portfolio of stocks comprising the PSEi in the same weights as the index.

## Performance Chart



**Benchmark: 100% Philippine Stock Exchange Index**

The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely

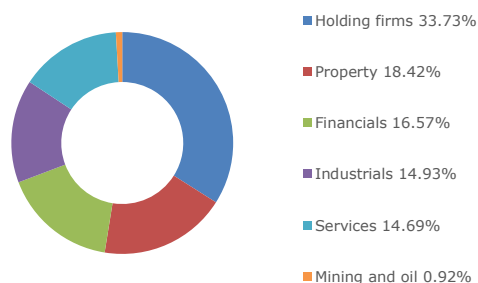
## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-3.29%	-7.72%	n.a.	-7.72%	5.26%

## Fund Statistics

Highest NAVPU reached	(10 Feb 22)	1.28503
Lowest NAVPU reached	(03 Oct 22)	0.99157
Initial NAVPU	(24 Aug 2020)	1.00000

## Sector Allocation



## Top 10 Holdings

1	SM INVESTMENTS CORP	14.8%
2	SM PRIME HOLDINGS INC	10.4%
3	BDO UNIBANK INC	6.9%
4	AYALA LAND INC	6.7%
5	AYALA CORP	6.2%
6	BANK OF PHILIPPINE ISLANDS	6.2%
7	INTERNATIONAL CONTAINER TERMINAL SERVICES, IN	5.7%
8	JG SUMMIT HOLDINGS INC	4.3%
9	ABOITIZ EQUITY VENTURES INC	4.3%
10	UNIVERSAL ROBINA CORP	3.7%

## Fund Manager's Commentary

### Market Review

The Philippine Stock Exchange index (PSEi) ended the month 3.16% lower at 6,566.39 points, down by 7.81% for the year, weighed down by rising inflation and interest rates. Net foreign selling stood at PhP 6.08 Bn (USD 109 Mn) and ended the year with net foreign outflows of PhP 69.45 Bn (USD 1.246 Bn) for the fifth straight year.

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## Fund Manager's Commentary on PRULink Equity Index Tracker Fund

Inflation soared to a 14-year high of 8% in November on higher food prices due to the impact of recent typhoons. Core inflation accelerated 6.5% from 5.9% in October. 11M22 inflation averaged 5.6%. The Bangko Sentral ng Pilipinas (BSP) raised its benchmark interest rate by 50 bps to 5.5%, the highest since November 2008. The move followed the 50-bp hike by the Fed. BSP raised its 2023 average inflation forecast to 4.5% from 4.3%.

Unemployment rate eased to 4.5% in October, a record-low level last seen in October 2019. 10M22 unemployment rate averaged 5.6%. Job quality continued to improve as the underemployment rate eased to 14.2% from 15.4% in September. The trade deficit narrowed to a 17-month low of USD 3.31 Bn in October. Exports rose 20% YoY to USD 7.70 Billion while imports increased 7.5% to USD 11 Bn. 10M22 trade deficit widened to USD 49.98 Bn, from the USD 32.40 Bn gap a year ago. Cash remittances rose to a 3-month high of USD 2.91 Bn in October, up 3.5% year-on-year. 10M22 OFW remittances increased by 3.1% year-on-year to USD 26.736 Bn.

Leaders for the month were Alliance Global Group, Inc. (+21.80%), ACEN CORPORATION (+7.17%) and Manila Electric Company (+6.71%). Laggards were PLDT Inc. (-24.83%), Monde Nissin Corporation (-12.34%) and Megaworld Corporation (-10.71%).

### Outlook and Strategy

2022 was another down year for the PSEi, lagging behind other ASEAN markets like Indonesia, Thailand and Singapore. Foreign selling was the primary reason for the decline and this is the 5th year of foreign sell. The good news is our valuation is still below the 10-year average, better than the valuation of other ASEAN markets.

We expect bullish momentum to continue into January of 2023, but expect H1 to be weak. Macro indicators will start to weaken as we are coming off a high base in 2022, and effect of inflation will dampen consumption. The US economy will also start to weaken, and will manifest itself in our equity markets. We are cautious going into 2023 and will take opportunities to sell into rallies.

# PRULink Global Equity Navigator Fund Peso Unhedged Share Class

PRU LIFE U.K. 

Fund Fact Sheet December 2022

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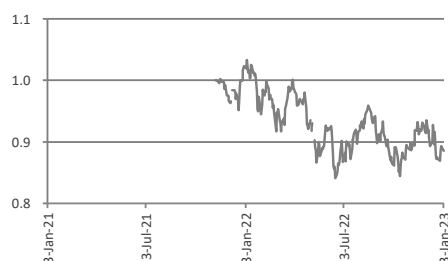
(all data as at 03 January 2023 unless otherwise stated)

Launch Date	08 November 2021	Fund Classification	Diversified
NAVpu (PHP)	0.88542	Minimum Risk Rating	3 (Aggressive)
Fund Size	PHP 367.89 million	Fund Manager	Eastspring Investments Limited
Fund Currency	Philippine Peso	Annual Management Fee	2.25% p.a.
Financial Year End	31 <sup>st</sup> December	Benchmark	None

## Fund Objective

The Fund seeks to provide a combination of income and capital growth over the medium term by primarily investing in various equity markets around the world through exchange traded funds, direct equities, index futures, and derivatives. Structured as a feeder fund, the Fund invests in Global Equity Navigator Fund Class D managed by Eastspring Investments. It may also invest in fixed-income securities and money market instruments issued or guaranteed by the US government, its agencies, and instrumentalities.

## Performance Chart



*The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund.*

## Annualized Performance

	1-Month	1-Year	5-Year	Year-to-date	Since Inception
<b>Fund</b>	-3.10%	-13.23%	n.a.	-13.23%	-10.01%

## Fund Statistics

Highest NAVPU reached	(05 Jan 22)	1.03327
Lowest NAVPU reached	(17 Jun 22)	0.84085
Initial NAVPU	(24 Aug 2020)	1.00000

## Top 10 Holdings

1	JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND	14.3%
2	SPDR S&P 500 UCITS ETF	5.9%
3	APPLE INC	1.9%
4	MICROSOFT CORPORATION	1.6%
5	ISHARES CORE MSCI JAPAN IMI UCITS ETF	1.6%
6	ISHARES MSCI TAIWAN UCITS ETF	1.2%
7	ISHARES MSCI KOREA	1.0%
8	ISHARES S&P 500 ENERGY SECTOR UCITS ETF	0.9%
9	JOHNSON & JOHNSON	0.7%
10	EXXON MOBIL CORP	0.6%

## Fund Manager's Commentary

Global equity markets declined in December, as the main engines of global growth—the US, Europe and China—experienced slowing economies due to continuous drag from the Russia-Ukraine crisis, inflation pressures and high interest rates engineered by central banks like the US Federal Reserve (Fed) as well as China's aggressive plans to reopen its economy by scrapping its zero-COVID policy despite the rising COVID-19 cases. Asian, Emerging Markets (EM) and Developed Markets (DM) equities also underperformed in this environment.

*(Continued on the next page)*

Disclaimer: The views contained herein are only a general view on what may happen and Pru Life UK does not guarantee its accuracy. Established in 1996, Pru Life UK is a subsidiary of British financial services giant Prudential plc. Pru Life UK is the pioneer and current market leader of unit-linked or investment-linked life insurance products, and is one of the first life insurance companies approved to market US dollar-denominated policies in the country. Pru Life UK is a life insurance company and is not engaged in the business of selling pre-need plans. Pru Life UK and Prudential plc are not affiliated with Prudential Financial, Inc. (a US-registered company), Philippine Prudential Life Insurance Company, Prudentiallife Plans, Inc. or Prudential Guarantee and Assurance, Inc. (all Philippine-registered companies). For more information about us, please visit [www.pruifeuk.com.ph](http://www.pruifeuk.com.ph).



## Fund Manager's Commentary on PRULink Global Equity Navigator Fund - Peso Unhedged Share Class

All these weakening sentiments suggest 2023 is going to be a tough year, with one-third of the global economy expected to be in recession according to the head of the International Monetary Fund (IMF). Previously in October, the IMF already cut its outlook for global economic growth in 2023.

The Fed slowed its pace of interest rate hikes to 50 basis points (bps) in December after delivering four consecutive 75 bps hikes over the year but leaving the door open for additional hikes in 2023. Fed Chairman Jerome Powell also mentioned that monetary policy is expected to be restrictive for some time.

US equities returned -6.0% in December as its factory activity continued to shrink over the month, with its manufacturing Purchasing Managers' Index (PMI) falling from 47.7 in November to 46.2 in December. European equities delivered -0.1% in USD terms in December. Despite that, the region's manufacturing fragility was once again apparent as both the Eurozone and UK factory activities continued to contract in December. Asia Pacific ex Japan markets returned -0.7% in USD terms in December. China's border reopening outlook resulted in the outperformance of Chinese equities in December, specifically China and Hong Kong returning 5.2% and 8.1% in USD terms respectively. However, China's factory activity contracted at a sharper pace in December due to a surge in COVID-19 infections following Beijing's abrupt removal of anti-virus curbs. The ASEAN markets performed in line with the region. Thailand outperformed the region helped by China's reopening prospects.

In global bond markets, government bond yields rose across most developed economies. The US Treasury yield curve bear steepened in December as yields on two-year, five-year and ten-year notes rose by 12 bps, 27 bps and 27 bps to 4.43%, 4.00% and 3.87% respectively. Treasury yields were nearly unchanged over the fourth quarter but have risen significantly over the year. 2-year yields increased 369 bps in 2022 while 10-year yields gained 236 bps as the Fed embarked on a path of aggressive rate hikes. Asian Credit (proxied by JACI) ended the year with a 1.67% monthly return, primarily boosted by Asian High Yield.

### Outlook

While a disinflation and low growth environment is likely to unfold in 2023, a hard landing scenario remains a distant probability. The twin forces of a slowdown in the global economy and elevated rates may abruptly translate into a weaker macro environment for issuers. Commodity prices are already pricing in lower demand as they are well off their peaks. If conditions in the labour market weaken, consumers may push back on companies asking for higher prices and it could become increasingly difficult for firms to justify for price increases.

Global share prices remain volatile with continued uncertainties around the conflict between Russia and Ukraine as well as lingering concerns around inflation given disruption in the oil and broader commodities supply chains. Though Asian valuations remain cheap relative to other regional markets, we remain cognisant of the impact of the US Federal Reserve's interest rate policy, along with tensions around US-China relations, labour shortages and commodity and goods inflation, which are contributing drivers of global volatility. This mixed picture suggests choppiness in the near-term and as such diversification – factor, country, sector, etc., is vital in such environment.

# 附錄

## PRULink Cash Flow Fund

基金概覽

十二月 2022

PRU LIFE U.K. 

本基金概覽就 Pru Life UK 的單位連結式保單的相關基金提供一般資訊，不擬作為個別投資建議。本基金的經理為瀚亞投資（新加坡）有限公司。

### 重要資料及投資披露

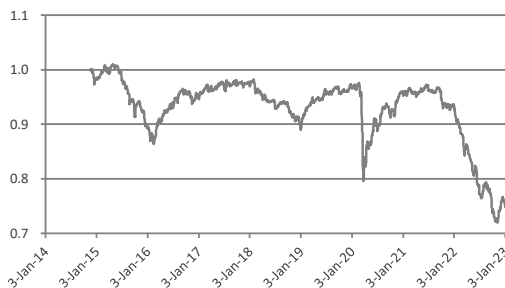
除非另有說明，所有數據截至 2023 年 1 月 3 日

成立日期	2014年11月17日	基金類別	多元化
NAVpu (USD)	0.74764	最低風險評級	2 (中等)
基金規模	USD 240.07 million	基金經理	Eastspring Investments Limited
基金貨幣	美元	每年管理費	1.95% p.a.
財政年度結束日	12月31日	基準指數	50% JACI + 50% BofA ML US HY Con

### 基金目標

本基金透過投資於主要由以美元計價、在美國市場發行、評級低於BBB-的高收益債券及其他固定收益 / 債務證券以及由亞洲實體或其附屬公司發行的固定收益 / 債務證券所組成的多元化投資組合，為投資者提供定期收益分派。此外，本基金可按基金經理酌情決定將其資產最多百分之二十（20%）投資於派息股票。

### 基金表現圖表



基金回報為扣除每年管理費的回報。過往表現未必是本基金未來或預期表現的指標。

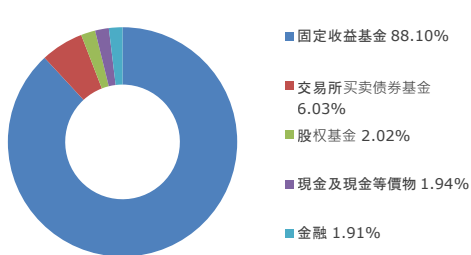
### 年度化表現

	1個月	1年	5年	年初至今	自成立以來
基金	0.01%	-19.34%	-5.06%	-19.34%	-3.51%

### 基金統計數據

最高每單位資產淨值	(29 Apr 15)	1.01016
最低每單位資產淨值	(07 Nov 22)	0.71947
初始每單位資產淨值	2014年11月17日	1.00000

### 資產分佈



### 十大持倉

1	EASTSPRING INV ASIAN BOND D USD	44.59%
2	EASTSPRING INV US HIGH YIELD BOND D	43.51%
3	ISHARES HIGH YIELD CORP BOND UCITS ETF USD	6.03%
4	EASTSPRING INV ASIAN EQUITY INC D	2.02%
5	現金及現金等價物 (美元)	1.94%
6	ISHARES S&P500	1.91%

註：請參閱附錄了解相關基金持倉。

### 基金經理評論

由於受俄烏危機、通脹壓力及聯儲局等央行的加息政策持續拖累，加上即使新冠病毒感染個案不斷增加，中國仍積極計劃取消零感染政策以重啟經濟，美國、歐洲及中國這三個全球增長主要引擎的經濟均有所放緩，拖累全球股市在12月下跌。在這環境下，亞洲、新興市場及已發展市場股市表現遜色。這些疲弱氣氛均意味著2023年將困難重重，而國際貨幣基金組織主席表示，預計全球經濟的三分之一將陷入衰退。此前，國際貨幣基金組織在10月已下調了2023年的全球經濟增長預測。在年內連續四次加息75個基點後，聯儲局在12月將加息步伐放慢至50個基點，但對2023年進一步加息持開放態度。聯儲局主席鮑威爾亦表示貨幣政策預計將在一段時間內維持緊縮。

(下頁繼續)

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# 附錄

## PRULink Peso Cash Flow Fund Hedged Share Class

PRU LIFE U.K. 

基金概覽

十二月 2022

本基金概覽就 Pru Life UK 的單位連結式保單的相關基金提供一般資訊，不擬作為個別投資建議。本基金的經理為瀚亞投資（新加坡）有限公司。

### 重要資料及投資披露

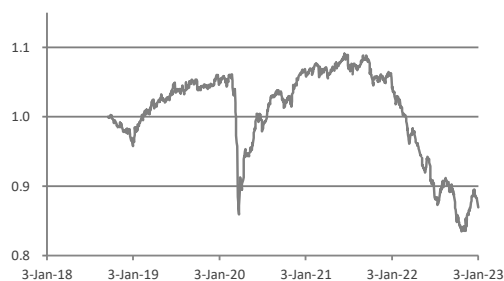
除非另有說明，所有數據截至 2023 年 1 月 3 日

成立日期	2018年9月3日	基金類別	多元化
每單位資產淨值 (PHP)	0.86922	最低風險評級	2 (中等)
基金規模	PHP 6.22 billion	基金經理	Eastspring Investments Limited
基金貨幣	菲律賓披索	每年管理費	1.95% p.a.
財政年度結束日	12月31日	基準指數	50% JACI + 50% BofA ML US HY Con

### 基金目標

本基金透過投資於主要由以美元計價、在美國市場發行、評級低於BBB-的高收益債券及其他固定收益 / 債務證券以及由亞洲實體或其附屬公司發行的固定收益 / 債務證券所組成的多元化投資組合，為投資者提供定期收益分派。此外，本基金可按基金經理酌情決定將其資產最多百分之二十（20%）投資於派息股票。

### 基金表現圖表



基金回報為扣除每年管理費的回報。過往表現未必是本基金未來或預期表現的指標。

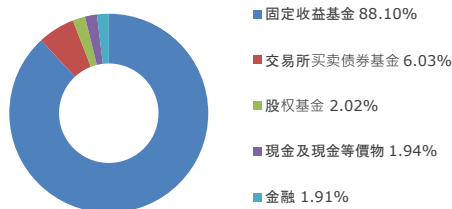
### 年度化表現

	1個月	1年	5年	年初至今	自成立以來
基金	0.05%	-16.49%	n.a.	-16.49%	-3.18%

### 基金統計數據

最高每單位資產淨值	(15 Jun 21)	1.09093
最低每單位資產淨值	(25 Oct 22)	0.83478
初始每單位資產淨值	2018年9月3日	1.00000

### 資產分佈



### 十大持倉

1	EASTSPRING INV ASIAN BOND D USD	44.59%
2	EASTSPRING INV US HIGH YIELD BOND D	43.51%
3	ISHARES HIGH YIELD CORP BOND UCITS ETF USD	6.03%
4	EASTSPRING INV ASIAN EQUITY INC D	2.02%
5	現金及現金等價物 (美元)	1.94%
6	ISHARES S&P500	1.91%

註：請參閱附錄了解相關基金持倉。

### 基金經理評論

由於受俄烏危機、通脹壓力及聯儲局等央行的加息政策持續拖累，加上即使新冠病毒感染個案不斷增加，中國仍積極計劃取消零感染政策以重啟經濟，美國、歐洲及中國這三個全球增長主要引擎的經濟均有所放緩，拖累全球股市在12月下跌。在這環境下，亞洲、新興市場及已發展市場股市表現遜色。這些疲弱氣氛均意味著2023年將困難重重，而國際貨幣基金組織主席表示，預計全球經濟的三分之一將陷入衰退。此前，國際貨幣基金組織在10月已下調了2023年的全球經濟增長預測。在年內連續四次加息75個基點後，聯儲局在12月將加息步伐放慢至50個基點，但對2023年進一步加息持開放態度。聯儲局主席鮑威爾亦表示貨幣政策預計將在一段時間內維持緊縮。

( 下頁繼續 )

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## [基金名稱]的基金經理評論

美國製造業活動在月內持續收縮，製造業採購經理指數由11月的47.7下降至12月的46.2，拖累美國股市在12月錄得-6.0%回報。歐洲股市12月以美元計的回報為-0.1%。儘管如此，歐洲製造業再次呈現明顯脆弱性，歐元區及英國製造業活動在12月進一步收縮。亞太區（日本除外）市場在12月以美元計錄得-0.7%回報。中國重開邊境的前景帶動中國股市在12月表現出色，其中，中國及香港以美元計分別錄得5.2%及8.1%回報。然而，由於新冠病毒感染個案在中國突然取消防疫限制措施後激增，中國製造業活動在12月以更快的步伐收縮。東盟市場表現與亞洲區一致。在中國重新開放的前景帶動下，泰國表現領先亞洲區。

全球債券市場方面，大部分已發展經濟體的政府債券收益率上升。由於兩年期、五年期及十年期國庫債券收益率分別上升12個基點、27個基點及27個基點至4.43%、4.00%及3.87%，美國國庫債券收益率曲線在12月出現熊市趨陡的情況。美國國庫債券收益率在第四季幾乎持平，但在過去一年顯著上升。隨著聯儲局實施積極加息的政策，2年期國庫債券收益率在2022年上升369個基點，而10年期國庫債券收益率則上升236個基點。亞洲信貸（以摩根大通亞洲信貸指數代表）表現主要受亞洲高收益債券帶動，全年以1.67%月回報率收結，政府願意支持房地產發展商帶動市場氣氛造好，利好其息差表現。

### 展望

通脹是去年市場走勢的主要推動因素之一，並將在未來繼續對固定收益表現發揮關鍵影響。信貸市場在2022年以利率接近零的疫情低位開局，但油價急升以及隨後的通脹力量導致聯儲局迅速收緊貨幣政策，並捨棄了通脹屬暫時現象的說法。聯邦基金利率上升至數十年來最高水平，利率上升對廣泛經濟的影響很可能在今年上半年浮現。

假如各國央行透過壓抑總需求以控制通脹，將可能導致失業率上升及增長放緩，投資者可能會偏好固定收益投資方案。倘若經濟收縮及下行風險加劇，央行的舉動將利好長期債券的回報；與此同時，倘若通脹回落而美國經濟增長觸底，我們認為此舉或利好信貸資產，例如亞洲投資級別債券。

雖然2023年有可能出現通縮放緩及低增長的環境，但硬著陸的可能性依然極低。全球經濟放緩及利率上升的雙重力量可能會突然導致發行人的宏觀環境轉弱。商品價格已遠離高峰，並反映出需求下跌的情況。假如勞動市場狀況走弱，消費者可能會抗拒調高價格的公司，而公司亦可能會越來越難以提供加價的依據。

# 附錄

## PRULink Global Market Navigator Fund - Unhedged Share Class

PRU LIFE U.K. 

### 基金概覽

十二月 2022

本基金概覽就 Pru Life UK 的單位連結式保單的相關基金提供一般資訊，不擬作為個別投資建議。本基金的經理為瀚亞投資（新加坡）有限公司。

### 重要資料及投資披露

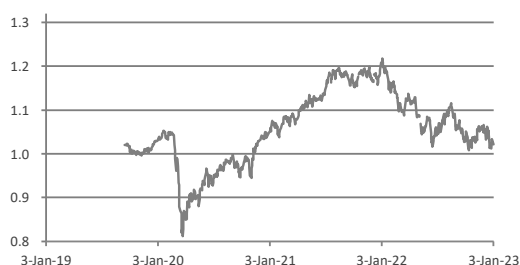
除非另有說明，所有數據截至 2023 年 1 月 3 日

成立日期	2019年9月16日	基金類別	多元化
每單位資產淨值（菲律賓披索）	1.00192	最低風險評級	3（進取）
基金規模	PHP 887.29 million	基金經理	Eastspring Investments Limited
基金貨幣	菲律賓披索	每年管理費	2.25% p.a.
財政年度結束日	12月31日	基準指數	沒有

### 基金目標

本基金是以披索計價的多元資產基金，旨在透過包括股票、債券、貨幣及現金的多元化全球資產組合來提高回報潛力。

### 基金表現圖表



本基金是以披索計價的多元資產基金，旨在透過包括股票、債券、貨幣及現金的多元化全球資產組合來提高回報潛力。

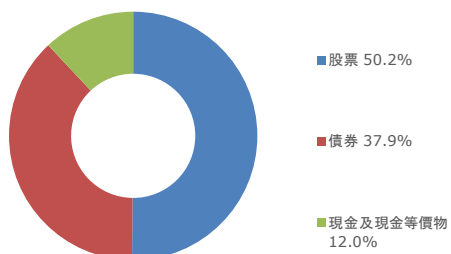
### 年度化表現

	1個月	1年	5年	年初至今	自成立以來
基金	-2.62%	-15.47%	n.a.	-15.47%	0.06%

### 基金統計數據

最高每單位資產淨值	(05 Jan 22)	1.19763
最低每單位資產淨值	(24 Mar 20)	0.79212
初始每單位資產淨值	2019年9月16日	1.00000

### 資產分佈



### 十大持倉

1	ISHARES GLOBAL AGGREGATE BD ESG UCITS ETF USD ACC	13.1%
2	ISHARES MSCI USA ESG SCREENED UCITS ETF USD ACC	12.8%
3	XTRACKERS II GLOBAL AGGREGATE BND SWAP UCITS ETF 1D	11.1%
4	ISHARES \$ CORP BOND ESG UCITS ETF USD ACC	8.8%
5	ISHARES MSCI EUROPE ESG SCREENED UCITS ETF EUR ACC	8.1%
6	SPDR S&P 500 ESG SCREENED UCITS ETF USD ACC	8.0%
7	JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND	7.5%
8	ISHARES J.P. MORGAN ESG \$ EM BOND UCITS ETF USD INC	4.8%
9	ISHARES MSCI EM IMI ESG SCREENED UCITS ETF USD	4.2%
10	ISHARES MSCI JAPAN ESG SCREENED UCITS ETF USD ACC	3.1%

註：本基金或使用不包括在十大持倉內的期貨來增加對市場的投資。

### 基金經理評論

由於受俄烏危機、通脹壓力及聯儲局等央行的加息政策持續拖累，加上即使新冠病毒感染個案不斷增加，中國仍積極計劃取消零感染政策以重啟經濟，美國、歐洲及中國這三個全球增長主要引擎的經濟均有所放緩，拖累全球股市在12月下跌。在這環境下，亞洲、新興市場及已發展市場股市表現遜色。這些疲弱氣氛均意味著2023年將困難重重，而國際貨幣基金組織主席表示，預計全球經濟的三分之一將陷入衰退。此前，國際貨幣基金組織在10月已下調了2023年的全球經濟增長預測。

（下頁繼續）

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## [基金名稱]的基金經理評論

在年內連續四次加息75個基點後，聯儲局在12月將加息步伐放慢至50個基點，但對2023年進一步加息持開放態度。聯儲局主席鮑威爾亦表示貨幣政策預計將在一段時間內維持緊縮。

美國製造業活動在月內持續收縮，製造業採購經理指數由11月的47.7下降至12月的46.2，拖累美國股市在12月錄得-6.0%回報。歐洲股市12月以美元計的回報為-0.1%。儘管如此，歐洲製造業再次呈現明顯脆弱性，歐元區及英國製造業活動在12月進一步收縮。亞太區（日本除外）市場在12月以美元計錄得-0.7%回報。中國重開邊境的前景帶動中國股市在12月表現出色，其中，中國及香港以美元計分別錄得5.2%及8.1%回報。然而，由於新冠病毒感染個案在中國突然取消防疫限制措施後激增，中國製造業活動在12月以更快的步伐收縮。東盟市場表現與亞洲區一致。在中國重新開放的前景帶動下，泰國表現領先亞洲區。

全球債券市場方面，大部分已發展經濟體的政府債券收益率上升。由於兩年期、五年期及十年期國庫債券收益率分別上升12個基點、27個基點及27個基點至4.43%、4.00%及3.87%，美國國庫債券收益率曲線在12月出現熊市趨陡的情況。美國國庫債券收益率在第四季幾乎持平，但在過去一年顯著上升。隨著聯儲局實施積極加息的政策，2年期國庫債券收益率在2022年上升369個基點，而10年期國庫債券收益率則上升236個基點。亞洲信貸（以摩根大通亞洲信貸指數代表）表現主要受亞洲高收益債券帶動，全年以1.67%月回報率收結，政府願意支持房地產發展商帶動市場氣氛造好，利好其息差表現。

### 基金表現

基金在12月的絕對回報為負值。以下戰術性交易為回報的三大貢獻因素：歐洲（相對於美國）、美國存續期（30年期相對於2年期）以及美國公用事業（相對於美國）。以下戰術性交易為回報的三大拖累因素：美元（相對於歐元）、西班牙（相對於歐洲）以及納斯達克指數（相對於標普500指數）。

### 展望

通脹是去年市場走勢的主要推動因素之一，並將在未來繼續對固定收益表現發揮關鍵影響。信貸市場在2022年以利率接近零的疫情低位開局，但油價急升以及隨後的通脹力量導致聯儲局迅速收緊貨幣政策，並捨棄了通脹屬暫時現象的說法。聯邦基金利率上升至數十年來最高水平，利率上升對廣泛經濟的影響很可能在今年上半年浮現。

假如各國央行透過壓抑總需求以控制通脹，將可能導致失業率上升及增長放緩，投資者可能會偏好固定收益投資方案。倘若經濟收縮及下行風險加劇，央行的舉動將利好長期債券的回報；與此同時，倘若通脹回落而美國經濟增長觸底，我們認為此舉或利好信貸資產，例如亞洲投資級別債券。

雖然2023年有可能出現通縮放緩及低增長的環境，但硬著陸的可能性依然極低。全球經濟放緩及利率上升的雙重力量可能會突然導致發行人的宏觀環境轉弱。商品價格已遠離高峰，並反映出需求下跌的情況。假如勞動市場狀況走弱，消費者可能會抗拒調高價格的公司，而公司亦可能會越來越難以提供加價的依據。

全球股價繼續波動，因俄羅斯與烏克蘭之間的衝突持續存在不確定性，加上石油及廣泛商品的供應鏈受阻，市場對通脹的憂慮揮之不去。雖然亞洲股票的估值仍然低於其他地區市場，但我們繼續意識到美國聯儲局利率政策的影響、中美關係緊張、勞動力短缺，以及商品及貨物價格通脹，這些因素均加劇全球波動。雖然波幅及不確定性可能在短期內維持高企，但基金將保持靈活，並隨著市況不斷發展作出進一步戰術調整。短期而言，假如我們認為股市將再度持續下挫，我們將進一步減持股票。



# APPENDIX

## PRULink Cash Flow Fund

Fund Fact Sheet December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

### Top 10 Holdings of the Underlying Funds

<b>1 EASTSPRING INVESTMENTS ASIAN BOND D USD</b> 44.59%	1	UNITED STATES TREASURY BILL 24-JAN-2023	0.8%
	2	YUNNAN ENERGY INVT OVERSEAS FIN CO LTD 4.5% 31-DEC-2049	0.5%
	3	HUARONG FINANCE 2019 CO LTD 4.25% 31-DEC-2049	0.5%
	4	CATHAY PACIFIC MTN FINANCING (HK) LTD 4.875% 17-AUG-2026	0.5%
	5	CENTRAL PLAZA DEVELOPMENT LTD 4.65% 19-JAN-2026	0.5%
	6	SHANDONG IRON AND STEEL XINHENG INTL CO LTD 4.8% 28-JUL-2024	0.5%
	7	BLUESTAR FINANCE HOLDINGS LTD 3.875% 31-DEC-2049	0.4%
	8	VEDANTA RESOURCES FINANCE II PLC 8.95% 11-MAR-2025	0.4%
	9	KEPPEL REIT 3.15% 31-DEC-2049	0.4%
	10	GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 4.9% 30-MAR-2025	0.4%
<b>2 EASTSPRING INVESTMENTS US HIGH YIELD BOND D USD</b> 43.51%	1	BNYMELLON USD LIQUIDITY FUND	3.3%
	2	US TREASURY N/B 0% 28/03/2023	1.1%
	3	AMS-OSRAM AG 7% 31/07/2025	1.0%
	4	DEUTSCHE BANK NY 4.875% 01/12/2032	0.9%
	5	BUILDERS FIRSOURCES INC 4.25% 01/02/2032	0.9%
	6	ENERGEAN ISRAEL FINANCE 4.875% 30/03/2026	0.8%
	7	DIRECTV FIN LLC/COINC 5.875% 15/08/2027	0.7%
	8	US TREASURY N/B 0% 16/03/2023	0.7%
	9	SPRINT LLC 7.125% 15/06/2024	0.7%
	10	ASCENT RESOURCES/ARU FIN 7% 01/11/2026	0.7%
<b>3 ISHARES HIGH YIELD CORP BOND UCITS ETF USD</b> 6.03%	1	TDG 5 ½ 11/15/27	1.1%
	2	TEVA 3.15 10/01/26	1.1%
	3	CHTR 4 ½ 05/01/32	1.0%
	4	ICS USD LQ ENV AW-AGNCY DIS	0.9%
	5	VOD 7 04/04/2079	0.9%
	6	NWL 4.2 04/01/26	0.9%
	7	S 7 ⅞ 09/15/23	0.8%
	8	DISH 5 ⅞ 11/15/24	0.8%
	9	LNG 4 ⅞ 10/15/28	0.8%
	10	S 7 ⅞ 06/15/24	0.7%
<b>4 EASTSPRING INVESTMENTS ASIAN EQUITY INCOME D</b> 2.02%	1	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	7.3%
	2	TENCENT HOLDINGS LTD	6.6%
	3	SAMSUNG ELECTRONICS CO LTD	5.2%
	4	BHP GROUP LTD	3.4%
	5	JD.COM INC	3.0%
	6	CHINA CONSTRUCTION BANK CORP	2.8%
	7	AIA GROUP LTD	2.7%
	8	NATIONAL AUSTRALIA BANK LTD	2.5%
	9	PING AN INSURANCE GROUP CO OF CHINA LTD H-SHARES	2.4%
	10	RELIANCE INDUSTRIES LTD	2.4%
<b>5 CASH AND CASH EQUIVALENTS (USD)</b> 1.94%			
<b>6 ISHARES S&amp;P 500</b> 1.91%	1	APPLE INC	6.0%
	2	MICROSOFT CORP	5.5%
	3	AMAZON.COM INC	2.3%
	4	BERKSHIRE HATHAWAY INC-CL B	1.7%
	5	ALPHABET INC-CL A	1.6%
	6	UNITEDHEALTH GROUP INC	1.5%
	7	ALPHABET INC-CL C	1.5%
	8	JOHNSON & JOHNSON	1.4%
	9	EXXON MOBIL CORP	1.4%
	10	JPMORGAN CHASE & CO	1.2%

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# APPENDIX

## PRULink Asian Balanced Fund

Fund Fact Sheet December 2022

PRU LIFE U.K. 

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

### Top 10 Holdings of the Underlying Funds

<b>1 EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY</b> 53.48%	1	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	5.6%
	2	TENCENT HOLDINGS LTD	5.4%
	3	SAMSUNG ELECTRONICS CO LTD	5.2%
	4	BHP GROUP LTD	3.0%
	5	ALIBABA GROUP HOLDING LTD	3.0%
	6	BOC HONG KONG HOLDINGS LTD	2.7%
	7	CHINA CONSTRUCTION BANK CORP	2.6%
	8	BAIDU INC	2.3%
	9	BANGKOK BANK PCL	2.3%
	10	NATIONAL AUSTRALIA BANK LTD	2.2%
<b>2 EASTSPRING INVESTMENTS ASIAN LOCAL BOND D</b> 27.08%	1	KOREA (REPUBLIC OF) 1.25% 10-MAR-2026	1.4%
	2	KOREA (REPUBLIC OF) 2% 10-JUN-2031	1.3%
	3	THAILAND KINGDOM OF (GOVERNMENT) 2% 17-DEC-2031	1.3%
	4	INDONESIA (REPUBLIC OF) 6.5% 15-FEB-2031	1.3%
	5	INDIA (REPUBLIC OF) 5.63% 12-APR-2026	1.2%
	6	THAILAND KINGDOM OF (GOVERNMENT) 1.585% 17-DEC-2035	1.2%
	7	INDONESIA (REPUBLIC OF) 5.125% 15-APR-2027	1.0%
	8	MALAYSIA (GOVERNMENT) 2.632% 15-APR-2031	1.0%
	9	THAILAND KINGDOM OF (GOVERNMENT) 0.95% 17-JUN-2025	1.0%
	10	JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND	1.0%
<b>3 EASTSPRING INVESTMENTS ASIAN BOND D</b> 18.06%	1	UNITED STATES TREASURY BILL 24-JAN-2023	0.8%
	2	YUNNAN ENERGY INVT OVERSEAS FIN CO LTD 4.5% 31-DEC-2049	0.5%
	3	HUARONG FINANCE 2019 CO LTD 4.25% 31-DEC-2049	0.5%
	4	CATHAY PACIFIC MTN FINANCING (HK) LTD 4.875% 17-AUG-2026	0.5%
	5	CENTRAL PLAZA DEVELOPMENT LTD 4.65% 19-JAN-2026	0.5%
	6	SHANDONG IRON AND STEEL XINHENG INTL CO LTD 4.8% 28-JUL-2024	0.5%
	7	BLUESTAR FINANCE HOLDINGS LTD 3.875% 31-DEC-2049	0.4%
	8	VEDANTA RESOURCES FINANCE II PLC 8.95% 11-MAR-2025	0.4%
	9	KEPPEL REIT 3.15% 31-DEC-2049	0.4%
	10	GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 4.9% 30-MAR-2025	0.4%
<b>4 CASH AND CASH EQUIVALENTS (USD)</b>			
1.38%			

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# APPENDIX

## PRULink Peso Cash Flow Fund Hedged Share Class

PRU LIFE U.K. 

Fund Fact Sheet December 2022

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### Top 10 Holdings of the Underlying Funds

<b>1 EASTSPRING INVESTMENTS ASIAN BOND D USD</b> 44.59%	1	UNITED STATES TREASURY BILL 24-JAN-2023	0.8%
	2	YUNNAN ENERGY INVT OVERSEAS FIN CO LTD 4.5% 31-DEC-2049	0.5%
	3	HUARONG FINANCE 2019 CO LTD 4.25% 31-DEC-2049	0.5%
	4	CATHAY PACIFIC MTN FINANCING (HK) LTD 4.875% 17-AUG-2026	0.5%
	5	CENTRAL PLAZA DEVELOPMENT LTD 4.65% 19-JAN-2026	0.5%
	6	SHANDONG IRON AND STEEL XINHENG INTL CO LTD 4.8% 28-JUL-2024	0.5%
	7	BLUESTAR FINANCE HOLDINGS LTD 3.875% 31-DEC-2049	0.4%
	8	VEDANTA RESOURCES FINANCE II PLC 8.95% 11-MAR-2025	0.4%
	9	KEPPEL REIT 3.15% 31-DEC-2049	0.4%
	10	GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 4.9% 30-MAR-2025	0.4%
<b>2 EASTSPRING INVESTMENTS US HIGH YIELD BOND D USD</b> 43.51%	1	BNYMELLON USD LIQUIDITY FUND	3.3%
	2	US TREASURY N/B 0% 28/03/2023	1.1%
	3	AMS-OSRAM AG 7% 31/07/2025	1.0%
	4	DEUTSCHE BANK NY 4.875% 01/12/2032	0.9%
	5	BUILDERS FIRSTSOURCE INC 4.25% 01/02/2032	0.9%
	6	ENERGEAN ISRAEL FINANCE 4.875% 30/03/2026	0.8%
	7	DIRECTV FIN LLC/COINC 5.875% 15/08/2027	0.7%
	8	US TREASURY N/B 0% 16/03/2023	0.7%
	9	SPRINT LLC 7.125% 15/06/2024	0.7%
	10	ASCENT RESOURCES/ARU FIN 7% 01/11/2026	0.7%
<b>3 ISHARES HIGH YIELD CORP BOND UCITS ETF USD</b> 6.03%	1	TDG 5 ½ 11/15/27	1.1%
	2	TEVA 3.15 10/01/26	1.1%
	3	CHTR 4 ½ 05/01/32	1.0%
	4	ICS USD LQ ENV AW-AGNCY DIS	0.9%
	5	VOD 7 04/04/2079	0.9%
	6	NWL 4.2 04/01/26	0.9%
	7	S 7 ⅞ 09/15/23	0.8%
	8	DISH 5 ⅞ 11/15/24	0.8%
	9	LNG 4 ⅝ 10/15/28	0.8%
	10	S 7 ⅞ 06/15/24	0.7%
<b>4 EASTSPRING INVESTMENTS ASIAN EQUITY INCOME D</b> 2.02%	1	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	7.3%
	2	TENCENT HOLDINGS LTD	6.6%
	3	SAMSUNG ELECTRONICS CO LTD	5.2%
	4	BHP GROUP LTD	3.4%
	5	JD.COM INC	3.0%
	6	CHINA CONSTRUCTION BANK CORP	2.8%
	7	AIA GROUP LTD	2.7%
	8	NATIONAL AUSTRALIA BANK LTD	2.5%
	9	PING AN INSURANCE GROUP CO OF CHINA LTD H-SHARES	2.4%
	10	RELIANCE INDUSTRIES LTD	2.4%
<b>5 CASH AND CASH EQUIVALENTS (USD)</b> 1.94%			
<b>6 ISHARES S&amp;P 500</b> 1.91%	1	APPLE INC	6.0%
	2	MICROSOFT CORP	5.5%
	3	AMAZON.COM INC	2.3%
	4	BERKSHIRE HATHAWAY INC-CL B	1.7%
	5	ALPHABET INC-CL A	1.6%
	6	UNITEDHEALTH GROUP INC	1.5%
	7	ALPHABET INC-CL C	1.5%
	8	JOHNSON & JOHNSON	1.4%
	9	EXXON MOBIL CORP	1.4%
	10	JPMORGAN CHASE & CO	1.2%

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# APPENDIX

## PRULink Global Market Navigator Fund

### Unhedged Share Class

Fund Fact Sheet      December 2022

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

#### Top 5 Holdings of the Underlying Sub-Holdings of the Fund

<b>1</b>	<b>ISHARES GLOBAL AGGREGATE BD ESG UCITS ETF USD ACC</b> 13.1%	1	ICS USD LQ ENV AW-AGNCY DIS	5.5%
		2	CGB 1.99 04/09/25	1.5%
		3	CGB 2.37 01/20/27	1.2%
		4	CGB 3.01 05/13/28	0.9%
		5	CGB 2 ¾ 02/17/32	0.8%
		6	CGB 2.68 05/21/30	0.7%
		7	CGB 2.24 05/25/25	0.7%
		8	T 2 7/8 11/30/25	0.6%
		9	T 2 ¼ 03/31/24	0.6%
		10	T 0 5/8 11/30/27	0.6%
<b>2</b>	<b>SHARES MSCI USA ESG SCREENED UCITS ETF USD ACC</b> 12.8%	1	APPLE INC	6.7%
		2	MICROSOFT CORP	5.5%
		3	AMAZON.COM INC	2.5%
		4	ALPHABET INC-CL A	1.7%
		5	UNITEDHEALTH GROUP INC	1.6%
		6	ALPHABET INC-CL C	1.6%
		7	JOHNSON & JOHNSON	1.5%
		8	BERKSHIRE HATHAWAY INC-CL B	1.3%
		9	JPMORGAN CHASE & CO	1.3%
		10	NVIDIA CORP	1.2%
<b>3</b>	<b>XTRACKERS II GLOBAL AGGREGATE BND SWAP UCITS ETF 1D</b> 11.1%	1	FN MA4356	0.5%
		2	DEUTSCHE GL LIQ-MAN USD-PLTA	0.5%
		3	WATC 3 10/21/26	0.3%
		4	NSWTC 3 05/20/27	0.2%
		5	T 2 7/8 05/15/32	0.2%
		6	T 1 ¼ 08/15/31	0.2%
		7	T 3 07/15/25	0.2%
		8	FN MA4255	0.2%
		9	T 1 7/8 02/15/32	0.2%
		10	T 0 ¼ 05/15/24	0.2%
<b>4</b>	<b>ISHARES \$ CORP BOND ESG UCITS ETF USD ACC</b> 8.8%	1	US DOLLAR	4.3%
		2	GM 1.05 03/08/24	0.3%
		3	BMY 2.9 07/26/24	0.3%
		4	C 3.352 04/24/25	0.3%
		5	ABBV 3.6 05/14/25	0.3%
		6	USB 3 ¾ 02/05/24	0.3%
		7	JPM 3.797 07/23/24	0.3%
		8	ORCL 2 ½ 04/01/25	0.3%
		9	GS 3 ½ 04/01/25	0.3%
		10	JPM 4.08 04/26/26	0.2%
<b>5</b>	<b>ISHARES MSCI EUROPE ESG SCREENED UCITS ETF EUR ACC</b> 8.1%	1	NESTLE SA-REG	3.6%
		2	NOVO NORDISK A/S-B	2.6%
		3	ROCHE HOLDING AG-GENUSSCHEIN	2.5%
		4	ASML HOLDING NV	2.5%
		5	ASTRAZENECA PLC	2.4%
		6	SHELL PLC	2.3%
		7	LVMH MOET HENNESSY LOUIS VUI	2.3%
		8	NOVARTIS AG-REG	2.2%
		9	TOTALENERGIES SE	1.8%
		10	UNILEVER PLC	1.5%

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# APPENDIX

## PRULink Global Equity Navigator Fund

### Unhedged Share Class

PRU LIFE U.K. 

Fund Fact Sheet      December 2022

The Fund Fact Sheet provides general information concerning the underlying funds of Pru Life UK's unit-linked policies and is not intended to serve as individual investment advice. The manager of the Fund is Eastspring Investments (Singapore) Limited.

#### Top 5 Holdings of the Underlying Sub-Holdings of the Fund

<b>1 JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND</b> 14.3%	1	CICFP Float 02/03/23	4.2%
	2	MIZUHO Float 01/04/23	3.9%
	3	KNFP Float 03/03/23	3.8%
	4	ACAAP Float 01/31/23	3.5%
	5	ACAAP Float 03/06/23	3.4%
	6	SEB Float 02/03/23	3.2%
	7	MUFG Float 01/18/23	2.8%
	8	KNFP Float 01/13/23	2.7%
	9	KEBHNY Float 04/05/23	2.1%
	10	SUMITR Float 01/25/23	2.0%
<b>2 SPDR S&amp;P 500 UCITS ETF</b> 5.9%	1	APPLE INC	6.0%
	2	MICROSOFT CORP	5.5%
	3	AMAZON.COM INC	2.3%
	4	BERKSHIRE HATHAWAY INC-CL B	1.7%
	5	ALPHABET INC-CL A	1.6%
	6	UNITEDHEALTH GROUP INC	1.5%
	7	ALPHABET INC-CL C	1.5%
	8	JOHNSON & JOHNSON	1.4%
	9	EXXON MOBIL CORP	1.4%
	10	JPMORGAN CHASE & CO	1.2%
<b>3 APPLE INC</b> 1.9%			
<b>4 MICROSOFT CORP</b> 1.6%			
<b>5 ISHARES CORE MSCI JAPAN IMI UCITS ETF</b> 1.6%	1	TOYOTA MOTOR CORP	3.7%
	2	SONY GROUP CORP	2.5%
	3	MITSUBISHI UFJ FINANCIAL GRO	2.1%
	4	KEYENCE CORP	1.9%
	5	DAIICHI SANKYO CO LTD	1.4%
	6	SUMITOMO MITSUI FINANCIAL GR	1.3%
	7	SOFTBANK GROUP CORP	1.3%
	8	HITACHI LTD	1.3%
	9	KDDI CORP	1.2%
	10	TAKEDA PHARMACEUTICAL CO LTD	1.2%

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# 附錄 PRULink Cash Flow Fund Hedged Share Class

PRU LIFE U.K. 

基金概覽

十二月 2022

本基金概覽就 Pru Life UK 的單位連結式保單的相關基金提供一般資訊，不擬作為個別投資建議。本基金的經理為瀚亞投資（新加坡）有限公司。

## 相關基金的十大持倉

<b>1 EASTSPRING INVESTMENTS ASIAN BOND D USD</b> 44.59%	1	UNITED STATES TREASURY BILL 24-JAN-2023	0.8%
	2	YUNNAN ENERGY INVT OVERSEAS FIN CO LTD 4.5% 31-DEC-2049	0.5%
	3	HUARONG FINANCE 2019 CO LTD 4.25% 31-DEC-2049	0.5%
	4	CATHAY PACIFIC MTN FINANCING (HK) LTD 4.875% 17-AUG-2026	0.5%
	5	CENTRAL PLAZA DEVELOPMENT LTD 4.65% 19-JAN-2026	0.5%
	6	SHANDONG IRON AND STEEL XINHENG INTL CO LTD 4.8% 28-JUL-2024	0.5%
	7	BLUESTAR FINANCE HOLDINGS LTD 3.875% 31-DEC-2049	0.4%
	8	VEDANTA RESOURCES FINANCE II PLC 8.95% 11-MAR-2025	0.4%
	9	KEPPEL REIT 3.15% 31-DEC-2049	0.4%
	10	GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 4.9% 30-MAR-2025	0.4%
<b>2 EASTSPRING INVESTMENTS US HIGH YIELD BOND D USD</b> 43.51%	1	BNYMELLON USD LIQUIDITY FUND	3.3%
	2	US TREASURY N/B 0% 28/03/2023	1.1%
	3	AMS-OSRAM AG 7% 31/07/2025	1.0%
	4	DEUTSCHE BANK NY 4.875% 01/12/2032	0.9%
	5	BUILDERS FIRSTSOURCE INC 4.25% 01/02/2032	0.9%
	6	ENERGEAN ISRAEL FINANCE 4.875% 30/03/2026	0.8%
	7	DIRECTV FIN LLC/COINC 5.875% 15/08/2027	0.7%
	8	US TREASURY N/B 0% 16/03/2023	0.7%
	9	SPRINT LLC 7.125% 15/06/2024	0.7%
	10	ASCENT RESOURCES/ARU FIN 7% 01/11/2026	0.7%
<b>3 ISHARES HIGH YIELD CORP BOND UCITS ETF USD</b> 6.03%	1	TDG 5 ½ 11/15/27	1.1%
	2	TEVA 3.15 10/01/26	1.1%
	3	CHTR 4 ½ 05/01/32	1.0%
	4	ICS USD LQ ENV AW-AGNCY DIS	0.9%
	5	VOD 7 04/04/2079	0.9%
	6	NWL 4.2 04/01/26	0.9%
	7	S 7 ⅞ 09/15/23	0.8%
	8	DISH 5 ⅞ 11/15/24	0.8%
	9	LNG 4 ⅝ 10/15/28	0.8%
	10	S 7 ⅙ 06/15/24	0.7%
<b>4 EASTSPRING INV ASIAN EQUITY INC D</b> 2.02%	1	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	7.3%
	2	TENCENT HOLDINGS LTD	6.6%
	3	SAMSUNG ELECTRONICS CO LTD	5.2%
	4	BHP GROUP LTD	3.4%
	5	JD.COM INC	3.0%
	6	CHINA CONSTRUCTION BANK CORP	2.8%
	7	AIA GROUP LTD	2.7%
	8	NATIONAL AUSTRALIA BANK LTD	2.5%
	9	PING AN INSURANCE GROUP CO OF CHINA LTD H-SHARES	2.4%
	10	RELIANCE INDUSTRIES LTD	2.4%
<b>5 現金及現金等價物 (美元)</b> 1.94%			
<b>6 ISHARES S&amp;P 500</b> 1.91%	1	APPLE INC	6.0%
	2	MICROSOFT CORP	5.5%
	3	AMAZON.COM INC	2.3%
	4	BERKSHIRE HATHAWAY INC-CL B	1.7%
	5	ALPHABET INC-CL A	1.6%
	6	UNITEDHEALTH GROUP INC	1.5%
	7	ALPHABET INC-CL C	1.5%
	8	JOHNSON & JOHNSON	1.4%
	9	EXXON MOBIL CORP	1.4%
	10	JPMORGAN CHASE & CO	1.2%

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# 附錄

## PRULink Peso Cash Flow Fund Hedged Share Class

PRU LIFE U.K. 

### 基金概覽

十二月 2022

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		3	SAMSUNG ELECTRONICS CO LTD	5.2%
		4	BHP GROUP LTD	3.4%
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		6	CHINA CONSTRUCTION BANK CORP	2.8%
		7	AIA GROUP LTD	2.7%
		8	NATIONAL AUSTRALIA BANK LTD	2.5%
		9	PING AN INSURANCE GROUP CO OF CHINA LTD H-SHARES	2.4%
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		2	MICROSOFT CORP	5.5%
		3	AMAZON.COM INC	2.3%
		4	BERKSHIRE HATHAWAY INC-CL B	1.7%
		5	ALPHABET INC-CL A	1.6%
		6	UNITEDHEALTH GROUP INC	1.5%
		7	ALPHABET INC-CL C	1.5%
		8	JOHNSON & JOHNSON	1.4%
		9	EXXON MOBIL CORP	1.4%
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