

# PRULink Bond Fund

Fund Fact Sheet June 2024

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 ATRAM Trust Corporation.

## Key Information and Investment Disclosure

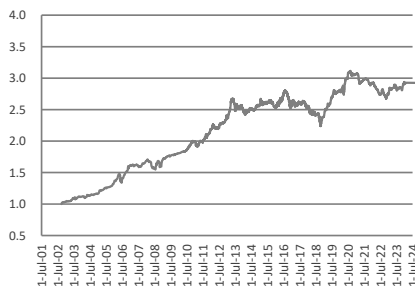
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |   |
|--------------------|---------------------------|-----------------------|---|
| Launch Date        | 24 September 2002         | Fund Classification   | Diversified   |
| NAVPu (PHP)        | 2.90806                   | Minimum Risk Rating   | 1 (Conservative)  |
| Fund Size          | PHP 18.96 billion         | Fund Manager          | ATRAM Trust Corporation*  |
| Fund Currency      | Philippine Peso           | Annual Management Fee | 1.53% p.a.  |
| Financial Year End | 31 <sup>st</sup> December | Benchmark             | Markit iBoxx ALBI Philippines<br><i>*effective September 15, 2023</i> |

## Fund Objective

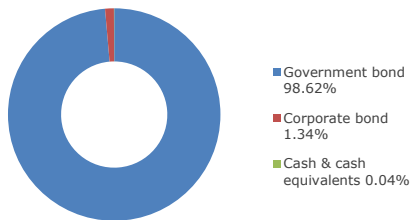
The Fund seeks to achieve an optimal level of income in the medium-term together with long-term capital growth through investments in fixed-income securities and money market instruments.

## 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 | 0.56%   | 2.14%  | 1.52%  | -0.94%       | 5.02%           |

## 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  | RPGB 6 ¾ 01/24/39 15yrs   | 7.15% |
| 2  | RPGB 6 7/8 05/23/44 20yrs | 6.69% |
| 3  | RPGB 8 07/19/31 7yrs      | 5.83% |
| 4  | RPGB 3 ¾ 04/08/26 637da   | 4.56% |
| 5  | RPGB 6 ¼ 02/28/29 5yrs    | 4.12% |
| 6  | RPGB 6 7/8 01/10/29 5yrs  | 4.12% |
| 7  | RPGB 4 ¾ 05/04/27 3yrs    | 4.11% |
| 8  | RPGB 3 ¾ 08/12/28 4yrs    | 4.07% |
| 9  | RPGB 4 5/8 06/02/27 3yrs  | 3.57% |
| 10 | RPGB 3 5/8 04/22/28 4yrs  | 3.36% |

Note: RPGB (Republic of the Philippines Government Bonds)

## Fund Manager's Commentary

In June, the local bond market continued to build on May's positive momentum. Contributing to the renewed risk appetite were easing inflation expectations for the second half of 2024, the Bangko Sentral ng Pilipinas' (BSP) dovish policy outlook, and the Bureau of the Treasury's (BTr) planned borrowing schedule. Most buying occurred in the latter part of June as market players added duration, anticipating an improved inflation environment for Q3 2024 and the potential for a BSP rate cut as early as August.

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## Fund Manager's Commentary on PRULink Bond Fund

Another wave of demand for longer-dated bonds came in the last week of the month when the BTr announced its borrowing schedule for Q3 2024, including the issuance of 3, 5, 7, 10, 14, and 20-year bonds. Notably, the usual 30 billion PHP issue size for the back-end of the curve was reduced to 25 billion PHP, prompting market participants to extend their duration as the month ended.

For June, the 0-1 year yields remained almost unchanged. The 1-3 and 3-5 year tenors decreased by 4 basis points (bps) and 8 bps, respectively. The 5-7 and 7-10 year yields both declined by 9 bps, while bonds with maturities of 10+ years fell by 4 bps.

Bond yields demonstrated resilience despite a slight uptick in inflation. Headline CPI in May increased by 3.9% year-on-year (YoY) from 3.8% in April, bringing the year-to-date average inflation to 3.5%. The main driver for the uptick was housing and utilities, which rose by 0.9% YoY in May from April's 0.4%. Transportation costs also contributed, increasing by 3.5% YoY in May from 2.6% in April. Regarding food, rice inflation surged by 23% YoY in May, though slower than the 23.9% recorded in April. This trend might improve following the approval of Executive Order 62, which lowered import tariffs on rice.

On the monetary policy front, the BSP decided to maintain the key rate at 6.50% but has shifted towards a more dovish tone. Key takeaways from the meeting include the balance of risks to the inflation outlook shifting to the downside for 2024 and 2025, largely due to lower import tariffs on rice under Executive Order 62. The BSP also noted that inflation is moving closer to the midpoint of the 2-4% target range. The risk-adjusted inflation forecasts have been revised to 3.1% for both 2024 and 2025, down from 3.8% and 3.7%, respectively. Additionally, the Monetary Board anticipates that price pressures will ease further in the second half of the year with the implementation of EO 62 and Administrative Order 20, which could increase the likelihood of rate cuts if the inflation outlook improves.

Our outlook remains optimistic that inflation will start its downward trend in the second half of 2024 as base effects wane. This anticipated decline may prompt the BSP to begin cutting rates in the latter part of the year. Recent statements by BSP officials and the implementation of EO 62 reinforce our positive outlook for the second half of 2024. We remain agile in our fund management and will continue to adjust our strategies in response to changes in the current environment.

# PRULink Managed Fund

Fund Fact Sheet

June 2024

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

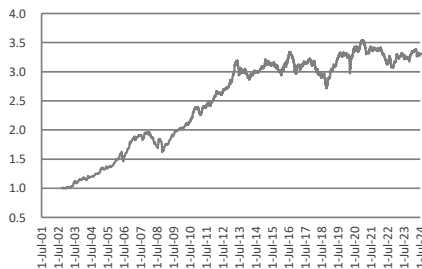
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |   |
|--------------------|---------------------------|-----------------------|---|
| Launch Date        | 24 September 2002         | Fund Classification   | Diversified   |
| NAVpu (PHP)        | 3.30777                   | Minimum Risk Rating   | 2 (Moderate)  |
| Fund Size          | PHP 5.16 billion          | Fund Manager          | ATRAM Trust Corporation*  |
| 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)<br><i>*effective September 15, 2023</i> |

## 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



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund. The Peso Bond Fund and Equity Fund have served as underlying funds of the Managed and Growth Funds prior to the Funds' launch date.

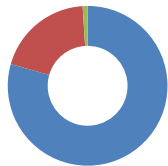
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.46%   | 1.44%  | 0.46%  | -1.02%       | 5.65%           |

## 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



|                           |        |
|---------------------------|--------|
| ■ Fixed income funds      | 79.39% |
| ■ Equity funds            | 19.61% |
| ■ Cash & cash equivalents | 1.00%  |

## Top Holdings

|   |                               |        |
|---|-------------------------------|--------|
| 1 | PRULINK BOND FUND             | 79.39% |
| 2 | PRULINK EQUITY FUND           | 19.61% |
| 3 | CASH & CASH EQUIVALENTS (PHP) | 1.00%  |

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

## Fund Manager's Commentary

### Market Review

In June, the local bond market continued to build on May's positive momentum. Contributing to the renewed risk appetite were easing inflation expectations for the second half of 2024, the Bangko Sentral ng Pilipinas' (BSP) dovish policy outlook, and the Bureau of the Treasury's (BTr) planned borrowing schedule.

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## Fund Manager's Commentary on PRULink Managed Fund

Most buying occurred in the latter part of June as market players added duration, anticipating an improved inflation environment for Q3 2024 and the potential for a BSP rate cut as early as August. Another wave of demand for longer-dated bonds came in the last week of the month when the BTr announced its borrowing schedule for Q3 2024, including the issuance of 3, 5, 7, 10, 14, and 20-year bonds. Notably, the usual 30 billion PHP issue size for the back-end of the curve was reduced to 25 billion PHP, prompting market participants to extend their duration as the month ended. On Policy, BSP decided to maintain the key rate at 6.50% but has shifted towards a more dovish tone. Key takeaways from the meeting include the balance of risks to the inflation outlook shifting to the downside for 2024 and 2025, largely due to lower import tariffs on rice under Executive Order 62. The BSP also noted that inflation is moving closer to the midpoint of the 2-4% target range. The risk-adjusted inflation forecasts have been revised to 3.1% for both 2024 and 2025, down from 3.8% and 3.7%, respectively. Additionally, the Monetary Board anticipates that price pressures will ease further in the second half of the year with the implementation of EO 62 and Administrative Order 20, which could increase the likelihood of rate cuts if the inflation outlook improves.

The 0-1 year yields remained almost unchanged. The 1-3 and 3-5 year tenors decreased by 4 basis points (bps) and 8 bps, respectively. The 5-7 and 7-10 year yields both declined by 9 bps, while bonds with maturities of 10+ years fell by 4 bps.

Bond yields demonstrated resilience despite a slight uptick in inflation. Headline CPI in May increased by 3.9% year-on-year (YoY) from 3.8% in April, bringing the year-to-date average inflation to 3.5%. The main driver for the uptick was housing and utilities, which rose by 0.9% YoY in May from April's 0.4%. Transportation costs also contributed, increasing by 3.5% YoY in May from 2.6% in April. Regarding food, rice inflation surged by 23% YoY in May, though slower than the 23.9% recorded in April. This trend might improve following the approval of Executive Order 62, which lowered import tariffs on rice.

The Philippine Stock Exchange Index (PSEI) was down 0.3% month-on-month (MoM) to close at 6,411.91 in June, declining for the fourth straight month starting March. After signalling a potential August rate cut, the BSP's dovish outlook was put into question as the Fed, in its June meeting, indicated only one rate cut for the year. The difference in the BSP's and the Fed's rhetoric put pressure on the Peso, resulting to further depreciation as it closed 58.62 against the USD in June from 58.52 last month. This foreign currency risk kept foreign funds on selling mode during the month. In addition, the FTSE rebalancing on June 21 was taken as an opportunity by foreign funds to exit the country. Despite this, the PSEI managed to pare its losses with the market gaining 4% in the last week of June as investors started to bargain-hunt heavily sold names in time for window-dressing activities at the end of the first half of the year. The month of June saw \$98mn worth of net foreign outflows, bringing year-to date net foreign outflows to \$521mn. Note that foreign outflows for the year was bloated by a block in Bloomberg Resorts Corporation (BLOOM) worth \$291mn.

The underweight positions in SM Investments Corporation (SM) and Century Pacific Food, Inc. (CNPF) were among the key positive contributors to relative performance for the month. SM lost 4.5% compared to the 0.3% decline of the PSEI which benefitted the portfolio given its underweight position. Recall that the holding firm posted a net income of P18.4bn in 1Q24, which is up 6% year-on-year, but well below consensus estimates. The drag mainly came from SM Retail. This earnings disappointment continued to pull down the stock in June. For CNPF, the stock went down by 14.3% in June, underperforming the local benchmark significantly. This also benefitted the portfolio given its underweight position. The company previously reported 1Q24 earnings of P1.7bn, up 14% year-on-year and is slightly ahead of consensus estimates. The main earnings growth driver was gross profit margin as it expanded by 250 bps year-on-year to 26.1%. The stock, though, was met with profit-taking in June as hefty valuations prompted investors to shift to other cheaper names in the consumer sector such as URC.

The overweight positions in JG Summit Holdings, Inc. (JGS) and Robinsons Land Corporation (RLC) were amongst the key detractors to relative performance during the month. JGS underperformed in June as currency concerns dampened sentiment on the stock. The conglomerate's earnings are usually under pressure in a depreciating Peso environment due to its exposure in the petrochemical business through JG Summit Olefins Corp. (JGSOC), a subsidiary of the company. The main reason for this is JGSOC's raw materials are denominated in USD which means a lower Peso would increase the costs associated with this. Furthermore, Cebu Air, Inc. (CEB), another subsidiary of JGS, also has USD exposure since its largest cost is fuel, which is denominated in USD. All in all, these USD exposures would impact the conglomerate's profitability moving forward, causing investor sentiment to sour on the stock. For RLC, the downbeat market caused non-index stocks to fall bigger than index stocks as investors reduced exposure on relatively "riskier" names. The lack of liquidity of non-index stocks also exacerbated the downward move. There was no new position for the fixed income side.

## Outlook

For Fixed Income, we are optimistic that inflation will start its downward trend in the second half of 2024 as base effects wane. This anticipated decline may prompt the BSP to begin cutting rates in the latter part of the year. Recent statements by BSP officials and the implementation of EO 62 reinforce our positive outlook for the second half of 2024. We remain agile in our fund management and will continue to adjust our strategies in response to changes in the current environment.

For Equities, the country's macro situation will continue to be the main driver of the market, as it has been for the past couple of years. Investors will remain data-dependent, focusing on both inflation and currency. More evidence of disinflation and a stabilizing currency will likely be needed before the local equity market can start to move up again. Another area of focus will be 2Q24 earnings which is set to start in July. Sequential earnings improvement and a more positive corporate guidance can help propel the market higher once macro conditions stabilize. While 3Q is usually a relatively weak quarter for the market, we believe this will be an opportune time to accumulate given our confidence of a better macro picture in the latter part of the year. We see lower inflation, helped by the rice tariff reduction from 35% to 15%, and a stronger Peso relative to today's levels moving forward. Rate cuts from the BSP and the Fed will also most likely have started already by the time we enter 4Q24. This will be a good set-up for the market to end the year on a positive note. Given this, we will continue to take advantage of the market at these valuations as the aforementioned factors are more likely to be favorable in the medium-term. In terms of PE, we are currently at 10.7x, still trading near 10-year lows, with the height of the pandemic the only time we traded at cheaper valuations. As we expect local macro conditions to improve in the latter part of the year and earnings to be resilient, we therefore favor value cyclical names that have limited downside given already cheap valuations and at the same time be able to participate in times of economic strength.

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# PRULink US Dollar Bond Fund

Fund Fact Sheet June 2024

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

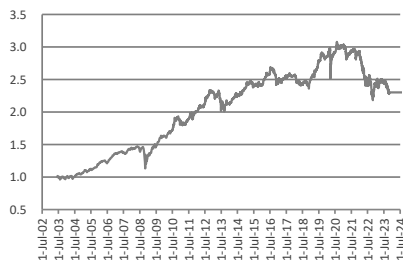
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                                 |
|--------------------|---------------------------|-----------------------|---------------------------------|
| Launch Date        | 03 June 2003              | Fund Classification   | Diversified                     |
| NAVpu (USD)        | 2.52050                   | Minimum Risk Rating   | 1 (Conservative)                |
| Fund Size          | USD 73.00 million         | Fund Manager          | Eastspring Investments          |
| 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



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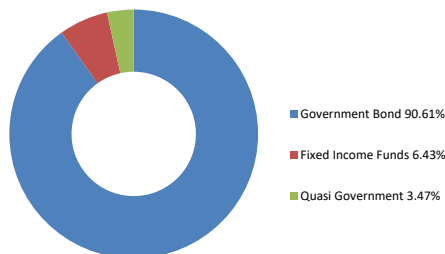
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 1.90%   | 2.15%  | -1.89% | -1.98%       | 4.48%           |

## 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)       | 7.75%  | 14-JAN-2031 | 11.29% |
| 2  | PHILIPPINES (REPUBLIC OF)       | 9.5%   | 2-FEB-2030  | 11.25% |
| 3  | PHILIPPINES (REPUBLIC OF)       | 3.7%   | 1-MAR-2041  | 8.53%  |
| 4  | PHILIPPINES (REPUBLIC OF)       | 3.7%   | 2-FEB-2042  | 7.74%  |
| 5  | PHILIPPINES (REPUBLIC OF)       | 3.95%  | 20-JAN-2040 | 7.35%  |
| 6  | PHILIPPINES (REPUBLIC OF)       | 6.375% | 23-OCT-2034 | 7.27%  |
| 7  | EASTSPRING INV ASIAN BOND D USD |        |             | 6.43%  |
| 8  | PHILIPPINES (REPUBLIC OF)       | 3%     | 1-FEB-2028  | 5.43%  |
| 9  | PHILIPPINES (REPUBLIC OF)       | 5%     | 13-JAN-2037 | 4.62%  |
| 10 | PHILIPPINES (REPUBLIC OF)       | 6.375% | 15-JAN-2032 | 4.61%  |

## Fund Manager's Commentary

In June, global bond markets saw a modest rise as US 10-year Treasury yields dipped, signaling a potential for Fed rate cuts later in the year amid softening inflation. Political uncertainty spurred a "flight to quality," widening credit spreads as investors favored the safety of US Treasuries, boosting sovereign bonds over riskier assets.

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

Over the month, the yield on two-year USTs decreased by 11 basis points to 4.77%, while the yield on ten-year USTs dropped by 11 basis points to 4.39%.

Asian USD bonds posted positive returns in June, as US Treasury yields generally trended lower with some intermittent spikes. All major segments within the fixed income asset class concluded positively, led by investment grade sovereign bonds and closely followed by high yield corporate bonds. Asian high yield bonds remained more attractive to investors than their developed market counterparts, offering attractive all-in yields, shorter durations, and a stable economic outlook for India and China. In the first half of 2024, credit spreads for Asian investment grade (IG) bonds stayed tighter compared to US IG bonds. Robust fundamentals, resilient market mechanics, and a negative net supply collectively bolstered the appeal and stability of the Asian credit markets.

In the Emerging Market sovereign debts as represented by JPMorgan EMBI Global Diversified Index rose significantly by 10.86%. Among contributors, South African bond yields declined, buoyed by investor optimism following the formation of a coalition government that secured Cyril Ramaphosa's presidency. Conversely, Brazilian bond yields also trended upward, reflecting concerns over fiscal imbalances, President Lula's commitment to public spending, and inflationary pressures from extensive government expenditure. Similarly, Indonesian government bond yields rose. The Philippines USD bond market posted positive returns, up 1.56% in June as represented by JPMorgan USD EMBI Global Philippine index.

The Bangko Sentral ng Philipinas (BSP) kept the key policy rate steady at 6.5% in June, for the 6th time, amid ongoing inflation concerns with a marginal rise to 3.9% in May, driven by higher costs in housing, utilities and transportation. Trade dynamics improved, with the Philippines' trade deficit narrowing to USD 4.76 billion in April, supported by a significant 26.4% YoY surge in exports, which hit USD 6.22 billion, driven by strong demand for electronics and minerals. Import growth, however, was more subdued, with a 12.6% YoY increase, totaling USD 10.98 billion.

Over the month, the portfolio's exposures to underlying sub-fund Asian USD Bond exposures contributed positively to relative performance as the market generated positive returns. While curve positioning and spread effects in the Philippines USD government bonds detracted relative performance, accrual income added to gains.

In June, we maintained an overall neutral duration. The Fund remained overweight in Asian credits and long-end Philippines USD government bonds (ROP), and underweight in the belly of the ROP curve. June was yet another volatile month for global rates, but rallied strongly towards the end of the month on the back of lower UST yields that were in turn caused by a set of US data that showed that the economy was cooling.

Risk sentiment was stable and so were Asian credit spreads. Asian credits and ROP both outperformed during the month due to a rally in rates. Asian credits continue to offer a decent carry over ROP bonds on an aggregate basis, on top of diversification benefits. We think Asian credits will continue being stable due to positive technicals such as the low bond supply in the region, and a bottoming of China's growth. Locally, we expect growth to moderate but remain relatively resilient with a tight labour market and strong government spending. Geopolitical risks, however, have increased and now pose a significant downside risk to investments and growth. BSP has signalled willingness to ease monetary policy, and there is a good probability they can cut the policy rate in August, given that there is reasonable confidence to expect the Fed to cut in early-September as well. We will look to maintain our allocation to Asian credits while and switch from shorter to longer-dated ROP bonds for duration opportunistically. We remain mildly constructive on duration in the medium term given our view that we are now in the late economic cycle. We will look to increase the overall duration slightly, and extend duration further on dips.

# PRULink Growth Fund

Fund Fact Sheet

June 2024

PRU LIFE U.K. 

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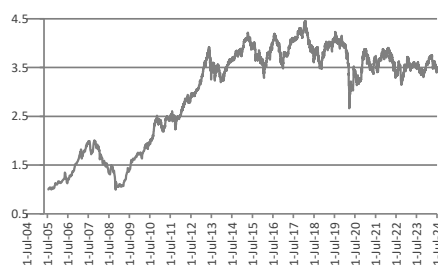
|                    |                           |                       |   |
|--------------------|---------------------------|-----------------------|---|
| Launch Date        | 22 July 2005              | Fund Classification   | Diversified   |
| NAVpu (PHP)        | 3.50923                   | Minimum Risk Rating   | 3 (Aggressive)  |
| Fund Size          | PHP 18.63 billion         | Fund Manager          | ATRAM Trust Corporation*  |
| 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<br>Philippine Stock Exchange Index (PSEi) |

\*Effective September 15, 2023

## 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



The fund returns are net of Annual Management Charge. Past performance is not necessarily indicative of the future or likely performance of the Fund. The Peso Bond Fund and Equity Fund have served as underlying funds of the Managed and Growth Funds prior to the Funds' launch date.

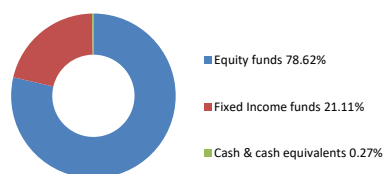
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.17%   | -0.26% | -2.95% | -1.14%       | 6.85%           |

## 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 |

## Asset Allocation



## Top Holdings

|   |                               |        |
|---|-------------------------------|--------|
| 1 | PRULINK EQUITY FUND           | 78.62% |
| 2 | PRULINK BOND FUND             | 21.11% |
| 3 | CASH & CASH EQUIVALENTS (PHP) | 0.27%  |

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

## Fund Manager's Commentary

### Market Review

In June, the local bond market continued to build on May's positive momentum. Contributing to the renewed risk appetite were easing inflation expectations for the second half of 2024, the Bangko Sentral ng Pilipinas' (BSP) dovish policy outlook, and the Bureau of the Treasury's (BTr) planned borrowing schedule.

(Continued on next page)

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## Fund Manager's Commentary on PRULink Growth Fund

Most buying occurred in the latter part of June as market players added duration, anticipating an improved inflation environment for Q3 2024 and the potential for a BSP rate cut as early as August. Another wave of demand for longer-dated bonds came in the last week of the month when the BTr announced its borrowing schedule for Q3 2024, including the issuance of 3, 5, 7, 10, 14, and 20-year bonds. Notably, the usual 30 billion PHP issue size for the back-end of the curve was reduced to 25 billion PHP, prompting market participants to extend their duration as the month ended. On Policy, BSP decided to maintain the key rate at 6.50% but has shifted towards a more dovish tone. Key takeaways from the meeting include the balance of risks to the inflation outlook shifting to the downside for 2024 and 2025, largely due to lower import tariffs on rice under Executive Order 62. The BSP also noted that inflation is moving closer to the midpoint of the 2-4% target range. The risk-adjusted inflation forecasts have been revised to 3.1% for both 2024 and 2025, down from 3.8% and 3.7%, respectively. Additionally, the Monetary Board anticipates that price pressures will ease further in the second half of the year with the implementation of EO 62 and Administrative Order 20, which could increase the likelihood of rate cuts if the inflation outlook improves.

The 0-1 year yields remained almost unchanged. The 1-3 and 3-5 year tenors decreased by 4 basis points (bps) and 8 bps, respectively. The 5-7 and 7-10 year yields both declined by 9 bps, while bonds with maturities of 10+ years fell by 4 bps. Bond yields demonstrated resilience despite a slight uptick in inflation. Headline CPI in May increased by 3.9% year-on-year (YoY) from 3.8% in April, bringing the year-to-date average inflation to 3.5%. The main driver for the uptick was housing and utilities, which rose by 0.9% YoY in May from April's 0.4%. Transportation costs also contributed, increasing by 3.5% YoY in May from 2.6% in April. Regarding food, rice inflation surged by 23% YoY in May, though slower than the 23.9% recorded in April. This trend might improve following the approval of Executive Order 62, which lowered import tariffs on rice.

The Philippine Stock Exchange Index (PSEI) was down 0.3% month-on-month (MoM) to close at 6,411.91 in June, declining for the fourth straight month starting March. After signalling a potential August rate cut, the BSP's dovish outlook was put into question as the Fed, in its June meeting, indicated only one rate cut for the year. The difference in the BSP's and the Fed's rhetoric put pressure on the Peso, resulting to further depreciation as it closed 58.62 against the USD in June from 58.52 last month. This foreign currency risk kept foreign funds on selling mode during the month. In addition, the FTSE rebalancing on June 21 was taken as an opportunity by foreign funds to exit the country. Despite this, the PSEI managed to pare its losses with the market gaining 4% in the last week of June as investors started to bargain-hunt heavily sold names in time for window-dressing activities at the end of the first half of the year. The month of June saw \$98mn worth of net foreign outflows, bringing year-to date net foreign outflows to \$521mn. Note that foreign outflows for the year was bloated by a block in Bloomberry Resorts Corporation (BLOOM) worth \$291mn.

The underweight positions in SM Investments Corporation (SM) and Century Pacific Food, Inc. (CNPF) were among the key positive contributors to relative performance for the month. SM lost 4.5% compared to the 0.3% decline of the PSEI which benefitted the portfolio given its underweight position. Recall that the holding firm posted a net income of P18.4bn in 1Q24, which is up 6% year-on-year, but well below consensus estimates. The drag mainly came from SM Retail. This earnings disappointment continued to pull down the stock in June. For CNPF, the stock went down by 14.3% in June, underperforming the local benchmark significantly. This also benefitted the portfolio given its underweight position. The company previously reported 1Q24 earnings of P1.7bn, up 14% year-on-year and is slightly ahead of consensus estimates. The main earnings growth driver was gross profit margin as it expanded by 250 bps year-on-year to 26.1%. The stock, though, was met with profit-taking in June as hefty valuations prompted investors to shift to other cheaper names in the consumer sector such as URC.

The overweight positions in JG Summit Holdings, Inc. (JGS) and Robinsons Land Corporation (RLC) were amongst the key detractors to relative performance during the month. JGS underperformed in June as currency concerns dampened sentiment on the stock. The conglomerate's earnings are usually under pressure in a depreciating Peso environment due to its exposure in the petrochemical business through JG Summit Olefins Corp. (JGSOC), a subsidiary of the company. The main reason for this is JGSOC's raw materials are denominated in USD which means a lower Peso would increase the costs associated with this. Furthermore, Cebu Air, Inc. (CEB), another subsidiary of JGS, also has USD exposure since its largest cost is fuel, which is denominated in USD. All in all, these USD exposures would impact the conglomerate's profitability moving forward, causing investor sentiment to sour on the stock. For RLC, the downbeat market caused non-index stocks to fall bigger than index stocks as investors reduced exposure on relatively "riskier" names. The lack of liquidity of non-index stocks also exacerbated the downward move. There was no new position for the fixed income side.

### Outlook

For Fixed Income, we are optimistic that inflation will start its downward trend in the second half of 2024 as base effects wane. This anticipated decline may prompt the BSP to begin cutting rates in the latter part of the year. Recent statements by BSP officials and the implementation of EO 62 reinforce our positive outlook for the second half of 2024. We remain agile in our fund management and will continue to adjust our strategies in response to changes in the current environment.

For Equities, the country's macro situation will continue to be the main driver of the market, as it has been for the past couple of years. Investors will remain data-dependent, focusing on both inflation and currency. More evidence of disinflation and a stabilizing currency will likely be needed before the local equity market can start to move up again. Another area of focus will be 2Q24 earnings which is set to start in July. Sequential earnings improvement and a more positive corporate guidance can help propel the market higher once macro conditions stabilize. While 3Q is usually a relatively weak quarter for the market, we believe this will be an opportune time to accumulate given our confidence of a better macro picture in the latter part of the year. We see lower inflation, helped by the rice tariff reduction from 35% to 15%, and a stronger Peso relative to today's levels moving forward. Rate cuts from the BSP and the Fed will also most likely have started already by the time we enter 4Q24. This will be a good set-up for the market to end the year on a positive note. Given this, we will continue to take advantage of the market at these valuations as the aforementioned factors are more likely to be favorable in the medium-term. In terms of PE, we are currently at 10.7x, still trading near 10-year lows, with the height of the pandemic the only time we traded at cheaper valuations. As we expect local macro conditions to improve in the latter part of the year and earnings to be resilient, we therefore favor value cyclical names that have limited downside given already cheap valuations and at the same time be able to participate in times of economic strength.

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# PRULink Equity Fund

Fund Fact Sheet

June 2024

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 ATRAM Trust Corporation.

## Key Information and Investment Disclosure

(all data as at 01 July 2024 unless otherwise stated)

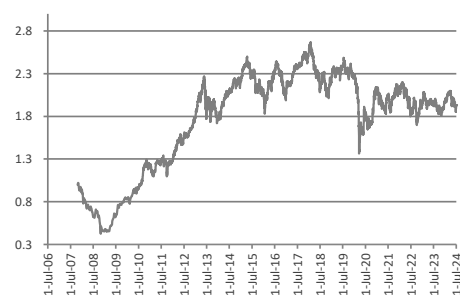
|                    |                           |                       |  |
|--------------------|---------------------------|-----------------------|--|
| Launch Date        | 23 October 2007           | Fund Classification   | Diversified                            |
| NAVpu (PHP)        | 1.93114                   | Minimum Risk Rating   | 3 (Aggressive)                         |
| Fund Size          | PHP 74.72 billion         | Fund Manager          | ATRAM Trust Corporation*               |
| 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) |

*\*Effective September 15, 2023*

## 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.

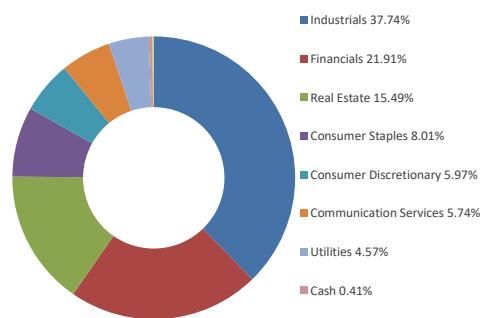
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.07%   | -0.69% | -4.07% | -1.21%       | 4.02%           |

## 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 INVESTMENTS CORP                   | 9.58% |
| 2  | INT'L CONTAINER TERMINAL SERVICES INC | 9.56% |
| 3  | BANK OF THE PHILIPPINE ISLANDS        | 8.72% |
| 4  | SM PRIME HOLDINGS INC.                | 8.42% |
| 5  | BDO UNIBANK INC                       | 8.38% |
| 6  | AYALA CORPORATION                     | 6.56% |
| 7  | AYALA LAND INC                        | 6.56% |
| 8  | METROPOLITAN BANK AND TRUST COMPANY   | 4.46% |
| 9  | JOLLIBEE FOODS CORP                   | 4.21% |
| 10 | UNIVERSAL ROBINA CORP                 | 3.53% |

## Fund Manager's Commentary

### Market Review

The Philippine Stock Exchange Index (PSEI) was down 0.3% month-on-month (MoM) to close at 6,411.91 in June, declining for the fourth straight month starting March.

*(Continued on the next page)*

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## Fund Manager's Commentary on PRULink Equity Fund

After signalling a potential August rate cut, the BSP's dovish outlook was put into question as the Fed, in its June meeting, indicated only one rate cut for the year. The difference in the BSP's and the Fed's rhetoric put pressure on the Peso, resulting to further depreciation as it closed 58.62 against the USD in June from 58.52 last month. This foreign currency risk kept foreign funds on selling mode during the month. In addition, the FTSE rebalancing on June 21 was taken as an opportunity by foreign funds to exit the country. Despite this, the PSEi managed to pare its losses with the market gaining 4% in the last week of June as investors started to bargain-hunt heavily sold names in time for window-dressing activities at the end of the first half of the year. The month of June saw \$98mn worth of net foreign outflows, bringing year-to date net foreign outflows to \$521mn. Note that foreign outflows for the year was bloated by a block in Bloomberry Resorts Corporation (BLOOM) worth \$291mn.

### Key Contributors

The underweight positions in SM Investments Corporation (SM) and Century Pacific Food, Inc. (CNPF) were among the key positive contributors to relative performance for the month. SM lost 4.5% compared to the 0.3% decline of the PSEi which benefitted the portfolio given its underweight position. Recall that the holding firm posted a net income of P18.4bn in 1Q24, which is up 6% year-on-year, but well below consensus estimates. The drag mainly came from SM Retail. This earnings disappointment continued to pull down the stock in June. For CNPF, the stock went down by 14.3% in June, underperforming the local benchmark significantly. This also benefitted the portfolio given its underweight position. The company previously reported 1Q24 earnings of P1.7bn, up 14% year-on-year and is slightly ahead of consensus estimates. The main earnings growth driver was gross profit margin as it expanded by 250 bps year-on-year to 26.1%. The stock, though, was met with profit-taking in June as hefty valuations prompted investors to shift to other cheaper names in the consumer sector such as URC.

### Key Detractors

The overweight positions in JG Summit Holdings, Inc. (JGS) and Robinsons Land Corporation (RLC) were amongst the key detractors to relative performance during the month. JGS underperformed in June as currency concerns dampened sentiment on the stock. The conglomerate's earnings are usually under pressure in a depreciating Peso environment due to its exposure in the petrochemical business through JG Summit Olefins Corp. (JGSOC), a subsidiary of the company. The main reason for this is JGSOC's raw materials are denominated in USD which means a lower Peso would increase the costs associated with this. Furthermore, Cebu Air, Inc. (CEB), another subsidiary of JGS, also has USD exposure since its largest cost is fuel, which is denominated in USD. All in all, these USD exposures would impact the conglomerate's profitability moving forward, causing investor sentiment to sour on the stock. For RLC, the downbeat market caused non-index stocks to fall bigger than index stocks as investors reduced exposure on relatively "riskier" names. The lack of liquidity of non-index stocks also exacerbated the downward move.

### Fund Activity

The Manager did not open any new positions during the month.

### Outlook

The country's macro situation will continue to be the main driver of the market, as it has been for the past couple of years. Investors will remain data-dependent, focusing on both inflation and currency. More evidence of disinflation and a stabilizing currency will likely be needed before the local equity market can start to move up again. Another area of focus will be 2Q24 earnings which is set to start in July. Sequential earnings improvement and a more positive corporate guidance can help propel the market higher once macro conditions stabilize. While 3Q is usually a relatively weak quarter for the market, we believe this will be an opportune time to accumulate given our confidence of a better macro picture in the latter part of the year. We see lower inflation, helped by the rice tariff reduction from 35% to 15%, and a stronger Peso relative to today's levels moving forward. Rate cuts from the BSP and the Fed will also most likely to have started already by the time we enter 4Q24. This will be a good set-up for the market to end the year on a positive note. Given this, we will continue to take advantage of the market at these valuations as the aforementioned factors are more likely to be favorable in the medium-term. In terms of PE, we are currently at 10.7x, still trading near 10-year lows, with the height of the pandemic the only time we traded at cheaper valuations. As we expect local macro conditions to improve in the latter part of the year and earnings to be resilient, we therefore favor value cyclical names that have limited downside given already cheap valuations and at the same time be able to participate in times of economic strength.

# PRULink Proactive Fund

Fund Fact Sheet

June 2024

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 ATRAM Trust Corporation.

## Key Information and Investment Disclosure

(all data as at 01 July 2024 unless otherwise stated)

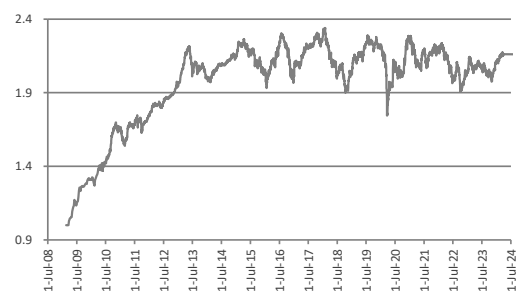
|                    |                           |                       |  |
|--------------------|---------------------------|-----------------------|--|
| Launch Date        | 17 February 2009          | Fund Classification   | Diversified  |
| NAVpu (PHP)        | 2.07505                   | Minimum Risk Rating   | 3 (Aggressive)   |
| Fund Size          | PHP 15.77 billion         | Fund Manager          | ATRAM Trust Corporation*   |
| 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 |

\*Effective September 15, 2023

## 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.

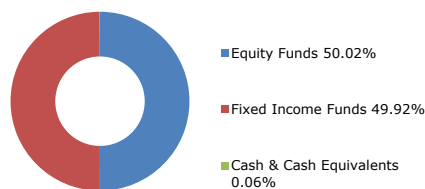
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.28%   | 0.34%  | -1.43% | -1.21%       | 4.86%           |

## 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 Holdings

|   |                               |        |
|---|-------------------------------|--------|
| 1 | PRULINK EQUITY FUND           | 50.02% |
| 2 | PRULINK BOND FUND             | 49.92% |
| 3 | CASH & CASH EQUIVALENTS (PHP) | 0.06%  |

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

## Fund Manager's Commentary

### Market Review

In June, the local bond market continued to build on May's positive momentum. Contributing to the renewed risk appetite were easing inflation expectations for the second half of 2024, the Bangko Sentral ng Pilipinas' (BSP) dovish policy outlook, and the Bureau of the Treasury's (BTr) planned borrowing schedule. Most buying occurred in the latter part of June as market players added duration, anticipating an improved inflation environment for Q3 2024 and the potential for a BSP rate cut as early as August. Another wave of demand for longer-dated bonds came in the last week of the month when the BTr announced its borrowing schedule for Q3 2024, including the issuance of 3, 5, 7, 10, 14, and 20-year bonds.

(Continued on the next page)

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## Fund Manager's Commentary on PRULink Proactive Fund

Another wave of demand for longer-dated bonds came in the last week of the month when the BTr announced its borrowing schedule for Q3 2024, including the issuance of 3, 5, 7, 10, 14, and 20-year bonds. Notably, the usual 30 billion PHP issue size for the back-end of the curve was reduced to 25 billion PHP, prompting market participants to extend their duration as the month ended. On Policy, BSP decided to maintain the key rate at 6.50% but has shifted towards a more dovish tone. Key takeaways from the meeting include the balance of risks to the inflation outlook shifting to the downside for 2024 and 2025, largely due to lower import tariffs on rice under Executive Order 62. The BSP also noted that inflation is moving closer to the midpoint of the 2-4% target range. The risk-adjusted inflation forecasts have been revised to 3.1% for both 2024 and 2025, down from 3.8% and 3.7%, respectively. Additionally, the Monetary Board anticipates that price pressures will ease further in the second half of the year with the implementation of EO 62 and Administrative Order 20, which could increase the likelihood of rate cuts if the inflation outlook improves.

The 0-1 year yields remained almost unchanged. The 1-3 and 3-5 year tenors decreased by 4 basis points (bps) and 8 bps, respectively. The 5-7 and 7-10 year yields both declined by 9 bps, while bonds with maturities of 10+ years fell by 4 bps.

Bond yields demonstrated resilience despite a slight uptick in inflation. Headline CPI in May increased by 3.9% year-on-year (YoY) from 3.8% in April, bringing the year-to-date average inflation to 3.5%. The main driver for the uptick was housing and utilities, which rose by 0.9% YoY in May from April's 0.4%. Transportation costs also contributed, increasing by 3.5% YoY in May from 2.6% in April. Regarding food, rice inflation surged by 23% YoY in May, though slower than the 23.9% recorded in April. This trend might improve following the approval of Executive Order 62, which lowered import tariffs on rice.

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There was no new position for the fixed income side.

### Outlook

For Fixed Income, we are optimistic that inflation will start its downward trend in the second half of 2024 as base effects wane. This anticipated decline may prompt the BSP to begin cutting rates in the latter part of the year. Recent statements by BSP officials and the implementation of EO 62 reinforce our positive outlook for the second half of 2024. We remain agile in our fund management and will continue to adjust our strategies in response to changes in the current environment.

For Equities, the country's macro situation will continue to be the main driver of the market, as it has been for the past couple of years. Investors will remain data-dependent, focusing on both inflation and currency. More evidence of disinflation and a stabilizing currency will likely be needed before the local equity market can start to move up again. Another area of focus will be 2Q24 earnings which is set to start in July. Sequential earnings improvement and a more positive corporate guidance can help propel the market higher once macro conditions stabilize. While 3Q is usually a relatively weak quarter for the market, we believe this will be an opportune time to accumulate given our confidence of a better macro picture in the latter part of the year. We see lower inflation, helped by the rice tariff reduction from 35% to 15%, and a stronger Peso relative to today's levels moving forward. Rate cuts from the BSP and the Fed will also most likely have started already by the time we enter 4Q24. This will be a good set-up for the market to end the year on a positive note. Given this, we will continue to take advantage of the market at these valuations as the aforementioned factors are more likely to be favorable in the medium-term. In terms of PE, we are currently at 10.7x, still trading near 10-year lows, with the height of the pandemic the only time we traded at cheaper valuations. As we expect local macro conditions to improve in the latter part of the year and earnings to be resilient, we therefore favor value cyclical names that have limited downside given already cheap valuations and at the same time be able to participate in times of economic strength.

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# PRULink Asian Local Bond Fund

Fund Fact Sheet

June 2024

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

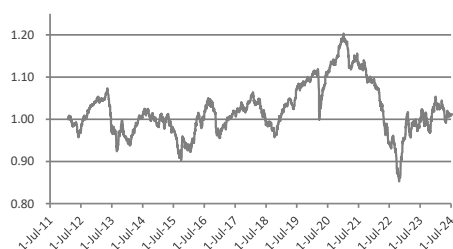
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                                  |
|--------------------|---------------------------|-----------------------|----------------------------------|
| Launch Date        | 28 January 2012           | Fund Classification   | Diversified                      |
| NAVpu (USD)        | 1.01159                   | Minimum Risk Rating   | 2 (Moderate)                     |
| Fund Size          | USD 5.79 million          | Fund Manager          | Eastspring Investments           |
| 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.

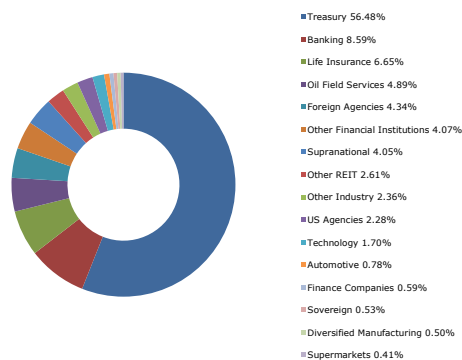
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.57%   | 1.49%  | -1.18% | -3.97%       | 0.09%           |

## 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  | NDF KOREAN WON  | 11.29% |
| 2  | EZION HOLDINGS LTD 20-NOV-2024                            | 4.89%  |
| 3  | EZION HOLDINGS LTD 31-DEC-2079                            | 3.31%  |
| 4  | NIPPON LIFE INSURANCE CO 5.95% 16-APR-2054                | 2.31%  |
| 5  | SINGAPORE TECHNOLOGIES TELEMEDIA PTE LTD 5.5% 31-DEC-2079 | 2.28%  |
| 6  | GACI FIRST INVESTMENT CO 5.375% 29-JAN-2054               | 2.10%  |
| 7  | KEPPEL LTD 2.9% 31-DEC-2079                               | 2.07%  |
| 8  | ICICI BANK UK PLC 7.106% 16-FEB-2034                      | 2.06%  |
| 9  | CORPORACION ANDINA DE FOMENTO 7.7% 6-MAR-2029             | 1.94%  |
| 10 | FORWARD JAPANESE YEN                                      | 1.83%  |

## Fund Manager's Commentary

(Continued on the next page)

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

In June, global bond markets saw a modest rise as US 10-year Treasury yields dipped, signaling a potential for Fed rate cuts later in the year amid softening inflation. Political uncertainty spurred a "flight to quality," widening credit spreads as investors favored the safety of US Treasuries, boosting sovereign bonds over riskier assets. US Treasuries experienced a decline as investors awaited further developments to gauge the economic and monetary policy outlook. The Federal Reserve's stance also shifted, with expectations now leaning towards a single rate cut rather than multiple reductions as previously anticipated. Over the month, the yield on two-year USTs decreased by 11 basis points (bps) to 4.77%, while the yield on ten-year USTs dropped by 11 bps to 4.39%.

In line with market expectations, the People's Bank of China (PBOC) held its benchmark rates steady during its June meeting, maintaining the one-year medium-term lending facility rate at 2.5%. Meanwhile, the Bank of Japan unanimously kept its key short-term interest rate at around 0% to 0.1% and announced plans to reduce bond buying for greater flexibility in long-term interest rates. The Reserve Bank of India (RBI) kept its benchmark policy repo rate at 6.5% for the eighth consecutive meeting, taking into account inflationary pressures and the economy's resilience. Similarly, the Bank of Thailand and Bank of Indonesia held their key interest rate at 2.5% and 6.25% respectively in June.

Inflation rates in major Asian economies, including China, India, and South Korea, came in below expectations, alleviating pressure on their respective local bond yields. In this context, the Asian domestic bond market mostly strengthened, with the custom Markit iBoxx Asian Local Bond Index appreciating by 0.91% in USD unhedged terms. However, bonds from Indonesia and Taiwan bucked this trend, registering declines. In contrast, the currency markets experienced a broad weakening across most Asian currencies.

In June, Asian currencies weakened, signalling a stronger US dollar amid economic data hinting at potential rate cuts and geopolitical tensions driving safe-haven demand. The Japanese yen weakened, impacted by the Bank of Japan's unexpectedly cautious stance on monetary policy tightening. The Chinese Yuan also declined due to capital flight to higher-yielding dollars and speculation of a managed depreciation by the People's Bank of China. In contrast, the South Korean won showed resilience, buoyed by expectations that the Bank of Korea might ease monetary policy ahead of the US Federal Reserve, providing relative stability amidst regional currency fluctuations.

In June, the portfolio's underperformance was largely due to underweight duration (as well as currency) to South Korea as the local bond market did better than the broad region. Small exposures to Japanese yen also hurt performance slightly while underweight in Malaysian ringgit mitigated some of the losses. Nevertheless, allocations to USD debts helped to narrow the underperformance on the back of declining US Treasury yields.

Asian rates and FX markets traded sideways over the month of June as investors digest a series of macro developments. The US economy continued to cool, accompanied with inflation moderation, setting the stage for the Fed to commence rate cuts as early as September. Towards the end of the month, the odds of a Trump presidency considerably increased after the first presidential debate, paving the way for popular Trump trades - a stronger USD and a steeper UST curve - to take hold. In between, the China economy continued to deteriorate in spite of policy support, raising concerns amongst investors if the growth decline can be arrested.

Resultingly, we have observed a bias in the market to buy duration across Asian rates markets, as volatility remains low and carry trades continue to perform well. High yielders continue to be well owned, while the low yielders have seen interest after the spike in yields in April and May. FX gains are however more restrained with the Chinese yuan trading on the back foot in response to a weak economy and the specter of tariffs, which cast a pall over the rest of the Asian complex.

Seasonally, July portends a strong month for risk appetite, transitioning into a holding pattern before cascading into risk retrenchment in September/October. We are cognizant that market volatility has remained low for a while now, and the second half of the year presents potential new event risks, such as the US elections, which could cause the benign risk environment to dramatically unravel. We therefore take a more conservative stance on our portfolio positioning to reflect this, biased towards long risk-free duration on spikes, coupled with slightly long US dollar which should have protect the portfolio should left tail risks materialize. We continue to like India overweights on the portfolio for their strong fundamental story and the low volatility profile of Indian bonds and currency.

# PRULink Asia Pacific Equity Fund

Fund Fact Sheet

June 2024

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

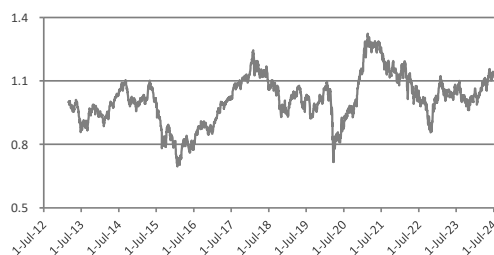
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                        |
|--------------------|---------------------------|-----------------------|------------------------|
| Launch Date        | 26 February 2013          | Fund Classification   | Diversified            |
| NAVpu (USD)        | 1.13961                   | Minimum Risk Rating   | 3 (Aggressive)         |
| Fund Size          | USD 14.70 million         | Fund Manager          | Eastspring Investments |
| 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 Depositary 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.

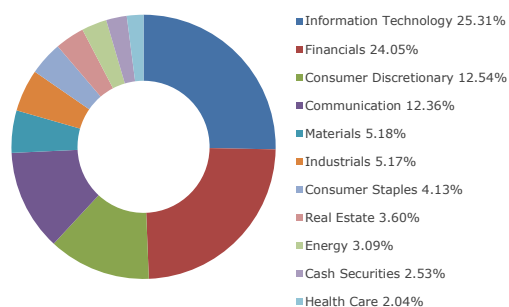
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 3.47%   | 8.64%  | 2.13%  | 7.14%        | 1.16%           |

## 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 | 9.57% |
| 2  | SAMSUNG ELECTRONICS CO LTD                | 7.38% |
| 3  | TENCENT HOLDINGS LTD                      | 4.00% |
| 4  | ICICI BANK LTD                            | 3.89% |
| 5  | BHP GROUP LTD                             | 3.36% |
| 6  | INDUSIND BANK LTD                         | 3.20% |
| 7  | LARGAN PRECISION CO LTD                   | 2.89% |
| 8  | BANK NEGARA INDONESIA PERSERO TBK PT      | 2.47% |
| 9  | SINGAPORE TELECOMMUNICATIONS LTD          | 2.42% |
| 10 | ALIBABA GROUP HOLDING LTD                 | 2.30% |

## Fund Manager's Commentary

### Market Review

(Continued on the next page)

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

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK. In contrast, India's market performance was buoyant, spurred by the RBI's revised GDP growth projections, robust FII inflows, favourable monsoon forecasts, and the expectation of policy stability following the formation of a coalition government.

### Key Contributors

Stock selection within Taiwan and Singapore were key contributors to relative performance during the month. At a sector level stock selection within Information Technology added value.

At a stock level, we saw the largest contribution from the Fund's overweight positions in Hon Hai and Samsung Electronics.

### Key Detractors

At a country level, stock selection within Hong Kong and India detracted from relative performance during the period. At a sector level, stock selection within Consumer Discretionary and Real Estate detracted from relative performance.

At a stock level, the Fund's overweight position in JD.com and underweight position in SK Hynix detracted most from relative performance during the month.

### Fund Activity

During the month the Fund initiated a position in Nanya Technology. The Fund exited Zeekr Intelligent Technology, Sany Heavy Industry, Phison Electronics and Qbe Insurance Group during the month of June.

### 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.

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# PRUlink Global Emerging Markets Dynamic Fund

Fund Fact Sheet June 2024



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## Key Information and Investment Disclosure

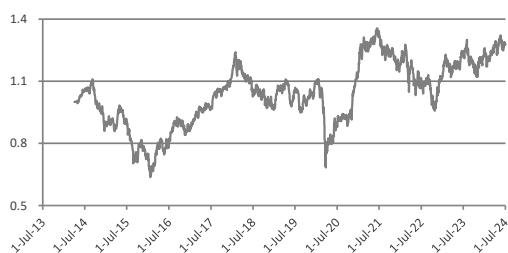
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                                 |
|--------------------|---------------------------|-----------------------|---------------------------------|
| Launch Date        | 01 April 2014             | Fund Classification   | Diversified                     |
| NAVpu (USD)        | 1.28089                   | Minimum Risk Rating   | 3 (Aggressive)                  |
| Fund Size          | USD 12.77 million         | Fund Manager          | Eastspring Investments          |
| 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 Depository Receipts and Global Depository 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.

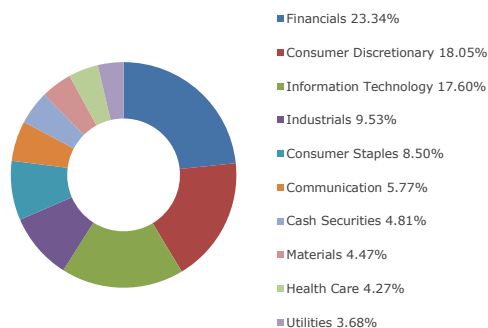
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 1.93%   | 3.72%  | 3.86%  | 1.69%        | 2.44%           |

## 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        | 6.54% |
| 2  | ALIBABA GROUP HOLDING LTD         | 4.08% |
| 3  | INDUSIND BANK LTD                 | 3.78% |
| 4  | LARGAN PRECISION CO LTD           | 3.19% |
| 5  | HON HAI PRECISION INDUSTRY CO LTD | 3.12% |
| 6  | SINOPEC ENGINEERING GROUP CO LTD  | 3.12% |
| 7  | SHRIRAM FINANCE LTD               | 3.06% |
| 8  | ZHEN DING TECHNOLOGY HOLDING LTD  | 2.76% |
| 9  | BAOSHAN IRON & STEEL CO LTD       | 2.49% |
| 10 | SINOPHARM GROUP CO LTD            | 2.47% |

## Fund Manager's Commentary

### Market Review

Emerging Markets (EM) equities posted a 3.6% return in June, outpacing Developed Markets' (DM) 2.0%. EM gains were propelled by positive developments in Taiwan, South Africa, Korea, India, and Qatar, alongside a robust US economy.

(Continued on the next page)

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

In the US, the equity market soared to new heights, with the S&P 500 and Nasdaq reaching record levels, driven by solid corporate earnings, moderate inflation, and a wave of AI enthusiasm. The rally was led by the information technology, communication services and healthcare sectors.

The MSCI Taiwan and MSCI South Africa indices contributed with impressive gains of 11.9% and 9.2%, respectively. Taiwan's markets rebounded, fueled by growing manufacturing activity, robust exports, and stable inflation. South Africa's market surged due to expanding industrial activity, rising business confidence, easing inflation, and pro-business policies, including manufacturing growth. Investors were enthused by the business-friendly coalition government formed by the African National Congress and Democratic Alliance.

Conversely, Chinese markets suffered (MSCI China returned -1.9%) from declining industrial activity, a weak property sector, and international tariffs, particularly impacting the electric vehicle sector. Indian markets bounced back from election-related volatility, driven by the country's first current account surplus in three years, fiscal optimism, and an expanding manufacturing sector.

Continuing the trend of previous months, LatAm underperformed all other regions in June with a -6.8% return, making it the only region with negative returns. This month all countries posted negative results, however Argentina and Mexico were the main drivers of this decline, with returns of -11.7% and -11.3% respectively, while Brazil was the best performer with a -4.5% return.

In June, the MSCI EMEA Index outpaced its counterparts with a 3.7% gain, surpassing both the MSCI World and Emerging Markets Indices. The MSCI Poland Index contributed to EMEA's performance, buoyed by the National Bank of Poland's unchanged interest rates for the eighth month running.

### Key Contributors

The Fund's overweight position in attractively valued retail company, The Foschini Group, contributed to relative performance as its share price strengthened on the back of the market's positive expectations for the company's improving fundamentals. Macro headwinds remain high but may have peaked for load-shedding and interest rates, and the entire sector could rerate. With the addition of self-help measures, The Foschini Group could enjoy one of the strongest recoveries in the sector.

The Fund's overweight position in Shriram Transport Finance contributed to the outperformance of the strategy as its share price rallied on the back of positive sentiment surrounding the company's loan growth, net interest margin and asset quality. We take comfort that even at the current valuations, the stock's risk reward remains favorable with a significant upside. Further, we take comfort in the strong fundamentals of the company particularly its long experience and strong processes to continue deliver normalized ROEs and growth.

The Fund's overweight position in Hon Hai contributed to the relative performance of the Fund owing to strong AI server outlook. Strong manufacturing and R&D capabilities around the world, as well as vertical integration capabilities are two key competitive advantages of Hon Hai. Alongside the attractive valuation, These moats should enable the company to diversify into adjacent business areas while staying cost competitive.

### Key Detractors

The Fund's underweight position in Taiwan Semiconductor Manufacturing detracted from relative performance as its stock price rallied on the back of positive AI sentiment. We find in our model that the upside for the company is limited, despite considering its multiple strengths while further downside risk on topline, higher depreciation cost and efficiency losses further support our negative view on the company's valuation.

The Fund's overweight position in Vipshop Holdings detracted from relative performance as competition in the e-commerce space hurt its share price. We believe that the upside to Vipshop is significant given that it is still trading at a large discount to its long-term earnings potential. The Fund's overweight position in Ternium contributed to its underperformance as its share price was beaten down amid the Usiminas Control legal dispute. Fundamentally, we believe this attractively valued company retains further upside potential as one of the highest quality steel operators across Latin America. The management team have a strong track record having built diversified geographical exposure and operational flexibility reflected by low variation of margins.

### Fund Activity

In May, the Fund initiated on Indofood, Mahanagar Gas, Nanya Technology and exited Empresas CMPC.

Indofood is a market leader in Indonesia instant noodles market and among the top players in Indonesia's dairy market through the Indomilk brand. The stock derated on i) Pinehill deal was deemed too expensive ii) Corporate Governance as investors have lost trust in Salim family post the related party transactions in 2018 (land parcels) and 2020 Pinehill transaction iii) Forex volatility as a USD 30Y bond that results in Forex losses since IDR has depreciated against the USD. After conducting a thorough deep dive on the company fundamentals, we believe that the stock is undervalued given the strong track record of revenue growth and margin accretion.

Mahanagar Gas Limited is an India-based natural gas distribution company. The Company is engaged in the distribution of compressed natural gas (CNG) and piped natural gas (PNG) in Mumbai, Thane and Raigad districts of Maharashtra. From the research that we have conducted on the company, we believe that Mahanagar Gas has shown proactive efforts to accelerate organic volume growth. We find that the company's valuations offer substantial discount underpinned by the weaker expectations on revenue and asset growth while further inorganic growth is not priced in, even though the company has become more active in deploying the once-lazy balance sheet.

Nanya Tech is one of the largest Dynamic random-access memory (DRAM) makers in Taiwan. Its parent company, Formosa Group, is a petrochemical leader in the global market. This laggard DRAM company has come onto our value screens as stock is down Year-to-Date compared to other DRAM players such as Hynix and Micron, mainly due to Nanya Tech's lack of exposure in the High Bandwidth Memory segment and the market is fearing that the commodity DRAM upcycle is getting long in the tooth. We find that the substantial discount in valuations is attractive with forward P/B at 1.2x and at the low end of historical trading range, compared to its peers like Hynix and Micron at 2x and 3.2x forward P/B respectively.

### 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.

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 has expanded its reach to over 170 branches and general agency offices in the Philippines, with the largest life insurance agency force of more than 42,000 licensed agents. It is headquartered in Uptown Bonifacio, Taguig City. Pru Life UK continues to be the leading insurer in the Philippines, ranking first in terms of New Business Annual Premium Equivalent and Total Renewal Premium Income from Variable Life Insurance Products as of FY 2023, according to the Insurance Commission. Pru Life UK and Prudential are not affiliated with Prudential Financial, Inc., (a company whose principal place of business is in the United States of America), Prudential Assurance Company (a subsidiary of M&G plc, a company incorporated in the United Kingdom), Philippine Prudential Life Insurance Company, Prudential Life Plans, Inc. or Prudential Guarantee and Assurance, Inc. (all Philippine-registered companies). Pru Life UK is a life insurance company and is not engaged in the business of selling pre-need plans. To learn more about the Fund, visit [www.pruflifeuk.com.ph](http://www.pruflifeuk.com.ph) or contact a Pru Life UK insurance agent.

# PRULink Cash Flow Fund

Fund Fact Sheet

June 2024

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

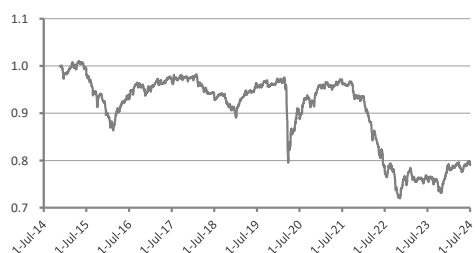
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                                  |
|--------------------|---------------------------|-----------------------|----------------------------------|
| Launch Date        | 17 November 2014          | Fund Classification   | Diversified                      |
| NAVpu (USD)        | 0.79001                   | Minimum Risk Rating   | 2 (Moderate)                     |
| Fund Size          | USD 205.13 million        | Fund Manager          | Eastspring Investments           |
| 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

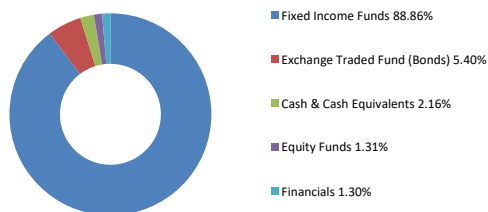
|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.10%   | 4.12%  | -3.70% | 0.72%        | -2.42%          |

## 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 |

\*Payout is not guaranteed. The Fund aims to provide payouts with a target rate of 4% per annum or 1% per quarter based on the number of units held at time of payout computation (the Target Payout Rate or Payout). Actual distribution of Payouts shall be at the sole discretion of Pru Life UK based on the recommendation of the Fund Manager and shall be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or any combination of (a) and/or (b) and/or (c). There is no guarantee that any distribution will be made or that the frequency and amount of distributions as set out in the sales materials will be met. If Payout is made, such Payout is not in any way, a forecast, indication or projection of the future or likely performance or distribution of the Fund. The making of any Payout shall not be taken to imply that further payouts will be made. Pru Life UK and the Fund Manager may vary the payout rate during the duration of the customer's insurance policy and there may be periods where there are no payouts. Payout declaration schedule may be subject to change.

## Asset Allocation



## Top Holdings

|   |  |        |
|---|--|--------|
| 1 | EASTSPRING INV US HI YLD BD D              | 45.25% |
| 2 | EASTSPRING INV ASIAN BOND D USD            | 43.61% |
| 3 | ISHARES HIGH YIELD CORP BOND UCITS ETF USD | 5.40%  |
| 4 | USD CASH                                   | 2.16%  |
| 5 | EASTSPRING INV ASIAN EQUITY INC D          | 1.31%  |
| 6 | ISHARES S&P 500                            | 1.30%  |

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors.

(Continued on the next page)

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

In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations. Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region. Central banks in the EU, Canada, and Switzerland cut policy rates by 25 basis points, favouring economic expansion over inflation concerns. Meanwhile, the Bank of England maintained its bank rate at 5.25%, despite UK inflation hitting the 2% target. Emerging Markets (EM) outshone Developed Markets (DM) with a 3.9% rise in June, compared to the latter's 2.0% gain. China's stock market, however, suffered a downturn amid capital flight, fueled by economic and political instability.

US equities rose 3.5% over the month, propelled by a burgeoning AI sector, a sturdy economy, and a surge in manufacturing activity. The labour market remained strong, with healthy payroll numbers, while inflation receded to a three-month low, surpassing forecast. The S&P 500 and Nasdaq hit record peaks as all major indices advanced, reflecting investor confidence in the market's resilience. European equities fell by 2.2% in USD terms in June, pressured by rising inflation, political uncertainty in France and Britain, contracting manufacturing activity, and fiscal strains.

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

Given the lower likelihood of a severe recession and the potential room for more accommodative monetary policy, in addition to current yield levels, we believe that current conditions are still ideal for fixed income assets. Value has returned to fixed income and a combination of favourable yields and idiosyncratic issuer performance dispersion is helping to create opportunities in the bond markets.

Within equities, though Asian equity valuations remain cheap relative to other regional markets, we remain cognisant of the lagged effects of higher interest rates, labor market conditions, commodity and goods inflation, and geopolitical events, all of which are contributing drivers of global volatility. The Fund will remain nimble, while diversifying and making further tactical adjustments as market conditions continue to evolve.

# PRULink Asian Balanced Fund

Fund Fact Sheet

June 2024

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

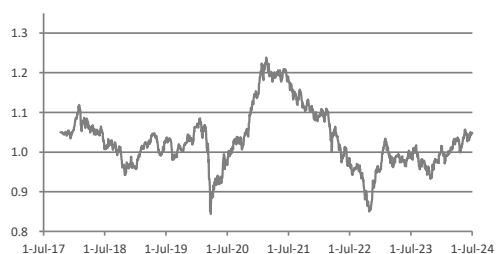
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |  |
|--------------------|---------------------------|-----------------------|--|
| Launch Date        | 09 October 2017           | Fund Classification   | Diversified                                      |
| NAVpu (USD)        | 0.998580                  | Minimum Risk Rating   | 2 (Moderate)                                     |
| Fund Size          | USD 2.12 million          | Manager               | Eastspring Investments                           |
| 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%<br>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.

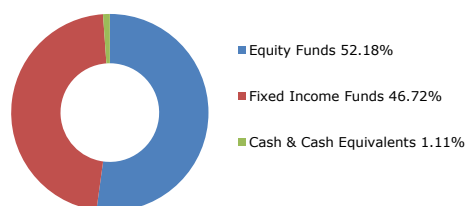
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 2.23%   | 6.37%  | 0.36%  | 3.49%        | -0.02%          |

## 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 Holdings

|   |                                    |        |
|---|------------------------------------|--------|
| 1 | EASTSPRING INV ASIA PACIFIC EQUITY | 52.18% |
| 2 | EASTSPRING INV ASIAN LOCAL BOND D  | 24.82% |
| 3 | EASTSPRING INV ASIAN BOND D USD    | 21.90% |
| 4 | USD CASH                           | 1.11%  |

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors. In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations.

(Continued on the next page)

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

Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region. Central banks in the EU, Canada, and Switzerland cut policy rates by 25 basis points, favouring economic expansion over inflation concerns. Meanwhile, the Bank of England maintained its bank rate at 5.25%, despite UK inflation hitting the 2% target. Emerging Markets (EM) outshone Developed Markets (DM) with a 3.9% rise in June, compared to the latter's 2.0% gain. China's stock market, however, suffered a downturn amid capital flight, fueled by economic and political instability.

US equities rose 3.5% over the month, propelled by a burgeoning AI sector, a sturdy economy, and a surge in manufacturing activity. The labour market remained strong, with healthy payroll numbers, while inflation receded to a three-month low, surpassing forecast. The S&P 500 and Nasdaq hit record peaks as all major indices advanced, reflecting investor confidence in the market's resilience. European equities fell by 2.2% in USD terms in June, pressured by rising inflation, political uncertainty in France and Britain, contracting manufacturing activity, and fiscal strains.

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

Given the lower likelihood of a severe recession and the potential room for more accommodative monetary policy, in addition to current yield levels, we believe that current conditions are still ideal for fixed income assets. Value has returned to fixed income and a combination of favourable yields and idiosyncratic issuer performance dispersion is helping to create opportunities in the bond markets.

Within equities, though Asian equity valuations remain cheap relative to other regional markets, we remain cognisant of the lagged effects of higher interest rates, labor market conditions, commodity and goods inflation, and geopolitical events, all of which are contributing drivers of global volatility. The Fund will remain nimble, while diversifying and making further tactical adjustments as market conditions continue to evolve.

# PRULink Peso Cash Flow Fund Hedged Share Class

Fund Fact Sheet June 2024



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## Key Information and Investment Disclosure

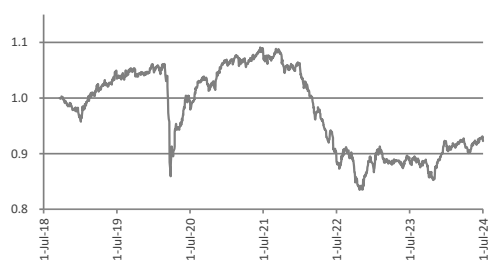
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                                  |
|--------------------|---------------------------|-----------------------|----------------------------------|
| Launch Date        | 03 September 2018         | Fund Classification   | Diversified                      |
| NAVpu (PHP)        | 0.92252                   | Minimum Risk Rating   | 2 (Moderate)                     |
| Fund Size          | PHP 5.80 billion          | Fund Manager          | Eastspring Investments           |
| 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

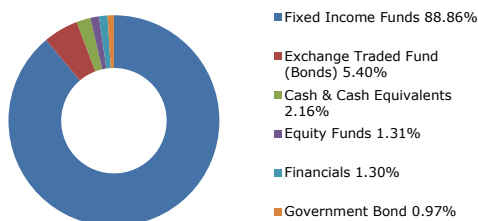
|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.49%   | 4.58%  | -2.27% | 1.16%        | -1.37%          |

## 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 |

\*Payout is not guaranteed. The Fund aims to provide payouts with a target rate of 4% per annum or 1% per quarter based on the number of units held at time of payout computation (the Target Payout Rate or Payout). Actual distribution of Payouts shall be at the sole discretion of Pru Life UK based on the recommendation of the Fund Manager and shall be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or any combination of (a) and/or (b) and/or (c). There is no guarantee that any distribution will be made or that the frequency and amount of distributions as set out in the sales materials will be met. If Payout is made, such Payout is not in any way, a forecast, indication or projection of the future or likely performance or distribution of the Fund. The making of any Payout shall not be taken to imply that further payouts will be made. Pru Life UK and the Fund Manager may vary the payout rate during the duration of the customer's insurance policy and there may be periods where there are no payouts. Payout declaration schedule may be subject to change.

## Asset Allocation



## Top Holdings

|   |  |        |
|---|--|--------|
| 1 | EASTSPRING INV US HI YLD BD D              | 45.25% |
| 2 | EASTSPRING INV ASIAN BOND D USD            | 43.61% |
| 3 | ISHARES HIGH YIELD CORP BOND UCITS ETF USD | 5.40%  |
| 4 | USD CASH                                   | 2.16%  |
| 5 | EASTSPRING INV ASIAN EQUITY INC D          | 1.31%  |
| 6 | ISHARES S&P 500                            | 1.30%  |
| 7 | UNITED STATES TREASURY BILL 25-JUL-2024    | 0.97%  |

## Fund Manager's Commentary

Note: See Appendix for the underlying fund holdings.

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors.

(Continued on the next page)

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

In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations. Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region. Central banks in the EU, Canada, and Switzerland cut policy rates by 25 basis points, favouring economic expansion over inflation concerns. Meanwhile, the Bank of England maintained its bank rate at 5.25%, despite UK inflation hitting the 2% target. Emerging Markets (EM) outshone Developed Markets (DM) with a 3.9% rise in June, compared to the latter's 2.0% gain. China's stock market, however, suffered a downturn amid capital flight, fueled by economic and political instability.

US equities rose 3.5% over the month, propelled by a burgeoning AI sector, a sturdy economy, and a surge in manufacturing activity. The labour market remained strong, with healthy payroll numbers, while inflation receded to a three-month low, surpassing forecast. The S&P 500 and Nasdaq hit record peaks as all major indices advanced, reflecting investor confidence in the market's resilience. European equities fell by 2.2% in USD terms in June, pressured by rising inflation, political uncertainty in France and Britain, contracting manufacturing activity, and fiscal strains.

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

Given the lower likelihood of a severe recession and the potential room for more accommodative monetary policy, in addition to current yield levels, we believe that current conditions are still ideal for fixed income assets. Value has returned to fixed income and a combination of favourable yields and idiosyncratic issuer performance dispersion is helping to create opportunities in the bond markets.

Within equities, though Asian equity valuations remain cheap relative to other regional markets, we remain cognisant of the lagged effects of higher interest rates, labor market conditions, commodity and goods inflation, and geopolitical events, all of which are contributing drivers of global volatility. The Fund will remain nimble, while diversifying and making further tactical adjustments as market conditions continue to evolve.



# PRULink Global Market Navigator Fund - Peso Unhedged Share Class

Fund Fact Sheet June 2024

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 01 July 2024 unless otherwise stated)

|                    |                           |                       |                        |
|--------------------|---------------------------|-----------------------|------------------------|
| Launch Date        | 16 September 2019         | Fund Classification   | Diversified            |
| NAVpu (PHP)        | 1.25276                   | Minimum Risk Rating   | 3 (Aggressive)         |
| Fund Size          | PHP 1.71 billion          | Fund Manager          | Eastspring Investments |
| 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.

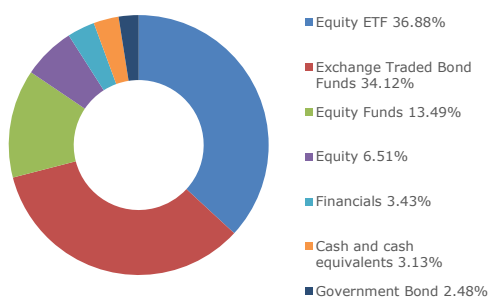
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 3.41%   | 19.64% | n.a.   | 12.61%       | 4.81%           |

## Fund Statistics

|                       |             |         |
|-----------------------|-------------|---------|
| Highest NAVPU reached | (21 Jun 24) | 1.26091 |
| Lowest NAVPU reached  | (24 Mar 20) | 0.79212 |
| Initial NAVPU         | (16 Sep 19) | 1.00000 |

## Asset Allocation



## Top 10 Holdings

|    |   |        |
|----|---|--------|
| 1  | ISHARES MSCI USA ESG SCREENED UCITS ETF USD ACC     | 19.37% |
| 2  | ISHARES \$ CORP BOND ESG UCITS ETF USD ACC          | 14.88% |
| 3  | ISHARES GLOBAL AGGREGATE BD ESG UCITS ETF USD ACC   | 12.26% |
| 4  | SPDR S&P 500 ESG SCREENED UCITS ETF USD ACC         | 10.72% |
| 5  | ESI- GLOBAL MF EQ FUND CLASS D                      | 8.56%  |
| 6  | JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND | 7.56%  |
| 7  | FORWARD EURO  | 4.77%  |
| 8  | ISHARES \$ HIGHYIELD CORPBOND ESG UCITS ETF USD ACC | 4.41%  |
| 9  | SGX FTSE AXJ NTR (USD) SEP 24                       | 3.11%  |
| 10 | ISHARES MSCI JAPAN ESG SCREENED UCITS ETF USD ACC   | 2.87%  |

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors.

(Continued on the next page)

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

In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations. Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region. Central banks in the EU, Canada, and Switzerland cut policy rates by 25 basis points, favouring economic expansion over inflation concerns. Meanwhile, the Bank of England maintained its bank rate at 5.25%, despite UK inflation hitting the 2% target. Emerging Markets (EM) outshone Developed Markets (DM) with a 3.9% rise in June, compared to the latter's 2.0% gain. China's stock market, however, suffered a downturn amid capital flight, fueled by economic and political instability.

US equities rose 3.5% over the month, propelled by a burgeoning AI sector, a sturdy economy, and a surge in manufacturing activity. The labour market remained strong, with healthy payroll numbers, while inflation receded to a three-month low, surpassing forecast. The S&P 500 and Nasdaq hit record peaks as all major indices advanced, reflecting investor confidence in the market's resilience. European equities fell by 2.2% in USD terms in June, pressured by rising inflation, political uncertainty in France and Britain, contracting manufacturing activity, and fiscal strains.

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Performance

The Fund's absolute performance was positive overall for the month of June. The top tactical contributors included: Global Equities (vs. US Investment Grade Bonds), Asia Pacific ex-Japan Equities (vs. US Investment Grade Bonds), and Korea Equities (vs. Emerging Markets Equities). The top tactical detractors included: Australia Equities (vs. AxJ) and China (vs. EM).

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

Given the lower likelihood of a severe recession and the potential room for more accommodative monetary policy, in addition to current yield levels, we believe that current conditions are still ideal for fixed income assets. Value has returned to fixed income and a combination of favourable yields and idiosyncratic issuer performance dispersion is helping to create opportunities in the bond markets.

Within equities, though Asian equity valuations remain cheap relative to other regional markets, we remain cognisant of the lagged effects of higher interest rates, labor market conditions, commodity and goods inflation, and geopolitical events, all of which are contributing drivers of global volatility. The Fund will remain nimble, while diversifying and making further tactical adjustments as market conditions continue to evolve.

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# PRULink Money Market Fund

Fund Fact Sheet June 2024



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

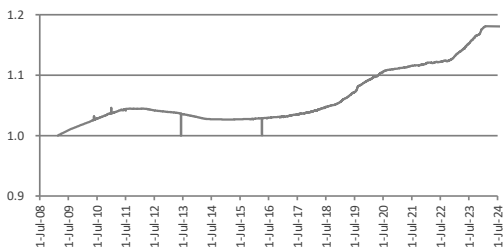
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |   |
|--------------------|---------------------------|-----------------------|---|
| Launch Date        | 17 February 2009          | Fund Classification   | Diversified   |
| NAVpu (PHP)        | 1.19284                   | Minimum Risk Rating   | 1 (Conservative)  |
| Fund Size          | PHP 358.42 million        | Fund Manager          | ATRAM Trust Corporation*  |
| 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<br>*effective November 22, 2023 |

## 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 portfolio 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.

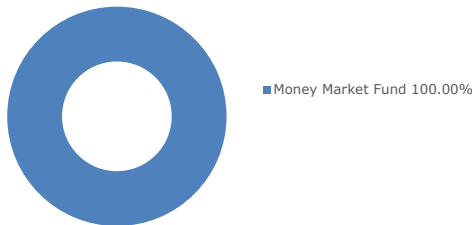
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.29%   | 3.48%  | 2.16%  | 1.22%        | 1.15%           |

## Fund Statistics

|                       |             |         |
|-----------------------|-------------|---------|
| Highest NAVPU reached | (01 Jul 24) | 1.19284 |
| Lowest NAVPU reached  | (07 Jun 13) | 0.99991 |
| Initial NAVPU         | (17 Feb 09) | 1.00000 |

## Asset Allocation



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

## Top Holdings

|   |                           |      |
|---|---------------------------|------|
| 1 | PRUINVEST PHP LIQUID FUND | 100% |
|---|---------------------------|------|

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

(Continued on the next page)

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

In June, we maintained our focus on the front end of the curve, leveraging beneficial carry opportunities to optimize returns while remaining flexible to economic shifts.

The local bond market continued its positive momentum from May, supported by easing inflation expectations for H2 2024 and the BSP's dovish policy outlook. Yields for the 0-1 year segment remained stable, while the 1-3 year tenors decreased by 4 basis points (bps). May inflation increased slightly to 3.9% year-on-year (YoY) relative to the 3.8% print in April, driven by higher housing, utilities, and transportation costs. However, rice inflation showed signs of easing, which may help alleviate inflationary pressures.

The BSP maintained the key rate at 6.50% but adopted a dovish stance, with risk-adjusted inflation forecasts revised to 3.1% for both 2024 and 2025. This shift could lead to earlier than expected rate cuts if inflation continues to ease.

Our investment approach remains judiciously focused on managing risks associated with reinvestment and maintaining liquidity consistent with the mandate of the fund. By leveraging short-term positions that provide beneficial carry, we aim to optimize returns while preserving the ability to quickly adapt to any change in market dynamics.

# PRULink Equity Index Tracker Fund

PRU LIFE U.K. 

Fund Fact Sheet June 2024

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 01 July 2024 unless otherwise stated)

|                    |                           |                       |   |
|--------------------|---------------------------|-----------------------|---|
| Launch Date        | 24 August 2020            | Fund Classification   | Diversified   |
| NAVpu (PHP)        | 1.12199                   | Minimum Risk Rating   | 3 (Aggressive)  |
| Fund Size          | PHP 2.29 billion          | Fund Manager          | ATRAM Trust Corporation*  |
| 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)<br><i>*effective November 22, 2023</i> |

## 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 performance of the Fund.

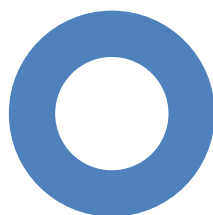
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | -0.28%  | -0.13% | n.a.   | 0.28%        | 3.03%           |

## 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 |

## Asset Allocation



■ Equity Fund 100.00%

## Top Holdings

|   |                                     |      |
|---|-------------------------------------|------|
| 1 | PRUINVEST EQUITY INDEX TRACKER FUND | 100% |
|---|-------------------------------------|------|

Note: See Appendix for the underlying fund holdings.

## Fund Manager's Commentary

### Market Review

The Philippine Stock Exchange Index (PSEi) was down 0.3% month-on-month (MoM) to close at 6,411.91 in June, declining for the fourth straight month starting March. After signalling a potential August rate cut, the BSP's dovish outlook was put into question as the Federal Reserve (Fed), in its June meeting, indicated only one rate cut for the year.

(Continued on the next page)

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

The difference in the BSP's and the Fed's rhetoric put pressure on the Peso, resulting to further depreciation as it closed 58.62 against the USD in June from 58.52 last month. This foreign currency risk kept foreign funds on selling mode during the month. In addition, the FTSE rebalancing on June 21 was taken as an opportunity by foreign funds to exit the country. Despite this, the PSEi managed to pare its losses with the market gaining 4% in the last week of June as investors started to bargain-hunt heavily sold names in time for window-dressing activities at the end of the first half of the year. The month of June saw \$98mn worth of net foreign outflows, bringing year-to date net foreign outflows to \$521mn. Note that foreign outflows for the year was bloated by a block in Bloomberry Resorts Corporation (BLOOM) worth \$291mn.

### Outlook

The country's macro situation will continue to be the main driver of the market, as it has been for the past couple of years. Investors will remain data-dependent, focusing on both inflation and currency. More evidence of disinflation and a stabilizing currency will likely be needed before the local equity market can start to move up again. Another area of focus will be 2Q24 earnings which is set to start in July. Sequential earnings improvement and a more positive corporate guidance can help propel the market higher once macro conditions stabilize. While 3Q is usually a relatively weak quarter for the market, we believe this will be an opportune time to accumulate given our confidence of a better macro picture in the latter part of the year. We see lower inflation, helped by the rice tariff reduction from 35% to 15%, and a stronger Peso relative to today's levels moving forward. Rate cuts from the BSP and the Fed will also most likely to have started already by the time we enter 4Q24. This will be a good set-up for the market to end the year on a positive note. In terms of PE, we are currently at 10.7x, still trading near 10-year lows, with the height of the pandemic the only time we traded at cheaper valuations.

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# PRULink Global Equity Navigator Fund - Peso Unhedged Share Class

Fund Fact Sheet June 2024

PRU LIFE U.K. 

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## Key Information and Investment Disclosure

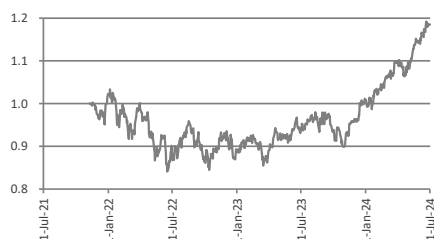
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |                        |
|--------------------|---------------------------|-----------------------|------------------------|
| Launch Date        | 08 November 2021          | Fund Classification   | Diversified            |
| NAVpu (PHP)        | 1.18519                   | Minimum Risk Rating   | 3 (Aggressive)         |
| Fund Size          | PHP 1.21 billion          | Fund Manager          | Eastspring Investments |
| 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



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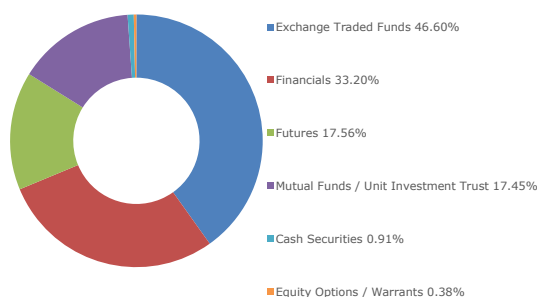
## Annualized Performance

|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 3.97%   | 25.39% | n.a.   | 17.58%       | 6.63%           |

## Fund Statistics

|                       |               |         |
|-----------------------|---------------|---------|
| Highest NAVPU reached | (21 Jun 24)   | 1.19228 |
| Lowest NAVPU reached  | (17 Jun 22)   | 0.84085 |
| Initial NAVPU         | (24 Aug 2020) | 1.00000 |

## Sector Allocation



## Top 10 Holdings

|    |   |        |
|----|---|--------|
| 1  | ISHARES MSCI USA ESG SCREENED UCITS ETF USD ACC     | 17.75% |
| 2  | SPDR S&P 500 ESG SCREENED UCITS ETF USD ACC         | 17.22% |
| 3  | JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND | 16.51% |
| 4  | S&P500 EMINI SEP 24                                 | 15.20% |
| 5  | ISHARES MSCI EUROPE ESG SCREENED UCITS ETF EUR ACC  | 11.55% |
| 6  | ESI- GLOBAL MF EQ FUND CLASS D                      | 9.84%  |
| 7  | ISHARES CORE MSCI EM IMI UCITS ETF USD (ACC)        | 5.95%  |
| 8  | ISHARES CORE MSCI JAPAN IMI UCITS ETF               | 5.15%  |
| 9  | EASTSPRING INV GL DYN GROWTH EQ FD                  | 3.86%  |
| 10 | FORWARD EURO  | 3.79%  |

## Fund Manager's Commentary

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors. In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations. Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region.

*(Continued on the next page)*

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In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

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# PRULink Cash Flow Fund Plus PhP Hedged Share Class

Fund Fact Sheet June 2024

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

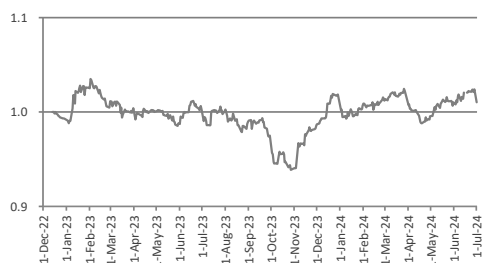
(all data as at 01 July 2024 unless otherwise stated)

|                    |                           |                       |  |
|--------------------|---------------------------|-----------------------|--|
| Launch Date        | 13 December 2022          | Fund Classification   | Diversified  |
| NAVpu (PHP)        | 1.01044                   | Minimum Risk Rating   | 2 (Moderate)   |
| Fund Size          | PHP 4.30 billion          | Fund Manager          | Eastspring Investments   |
| Fund Currency      | Philippine Peso           | Annual Management Fee | 1.95%  |
| Financial Year End | 31 <sup>st</sup> December | Benchmarks            | JP Morgan Asia Credit Index<br>MSCI World Index<br>ICE Bank of America US High Yield Constrained Index |

## Fund Objective

The Fund invests 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, and rated below BBB-, as well as fixed income/debt securities issued by Asian entities or their subsidiaries. This Fund may invest up to 20% of its assets in global equities and other dividend-yielding assets. It seeks to provide investors with a non-guaranteed payout\* of up to 6% per year (or up to 1.5% per quarter) based on the number of units held at the time of payout computation.

## 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

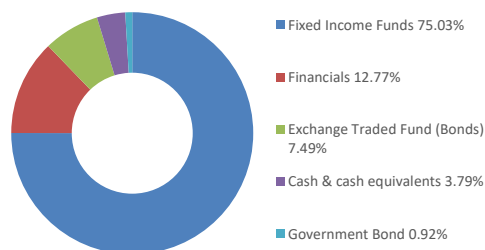
|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.23%   | 2.03%  | n.a.   | 0.88%        | 0.67%           |

## Fund Statistics

|                       |               |         |
|-----------------------|---------------|---------|
| Highest NAVPU reached | (02 Feb 23)   | 1.03503 |
| Lowest NAVPU reached  | (27 Oct 23)   | 0.93870 |
| Initial NAVPU         | (13 Dec 2022) | 1.00000 |

\*Payout is not guaranteed. The Fund aims to provide payouts with a target rate of 6% per annum or 1.5% per quarter based on the number of units held at time of payout computation (the Target Payout Rate or Payout). Actual distribution of Payouts shall be at the sole discretion of Pru Life UK based on the recommendation of the Fund Manager and shall be made out of either (a) income; or (b) net capital gains; or (c) capital of the Fund or any combination of (a) and/or (b) and/or (c). There is no guarantee that any distribution will be made or that the frequency and amount of distributions as set out in the sales materials will be met. If Payout is made, such Payout is not in any way, a forecast, indication or projection of the future or likely performance or distribution of the Fund. The making of any Payout shall not be taken to imply that further payouts will be made. Pru Life UK and the Fund Manager may vary the payout rate during the duration of the customer's insurance policy and there may be periods where there are no payouts. Payout declaration schedule may be subject to change.

## Asset Allocation



## Top Holdings

|   |  |        |
|---|--|--------|
| 1 | EASTSPRING INV US HI YLD BD D              | 38.81% |
| 2 | EASTSPRING INV ASIAN BOND D USD            | 36.22% |
| 3 | ISHARES CORE S&P 500 UCITS ETF             | 9.49%  |
| 4 | ISHARES HIGH YIELD CORP BOND UCITS ETF USD | 6.89%  |
| 5 | USD CASH                                   | 3.79%  |
| 6 | XTRACKERS MSCI EUROPE UCITS ETF            | 1.97%  |
| 7 | XTRACKERS MSCI EMERGING MARKETS UCITS ETF  | 1.31%  |
| 8 | UNITED STATES TREASURY BILL 25-JUL-2024    | 0.92%  |
| 9 | ISHARES USD TREASURY BOND 7-10YR UCITS ETF | 0.60%  |

The Fund may also invest up to 20% in other bonds considered as safe-haven assets such as US Treasuries for downside protection and/or during risk-off market conditions. Furthermore, there is no minimum credit rating requirements for the underlying bond assets of the Fund.

(Continued on the next page)

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## Fund Manager's Commentary on PRULink Cash Flow Fund Plus - PhP Hedged Share Class

Global equity markets rose in June, buoyed by robust corporate earnings, advancements in AI & Technology, and strengthening fundamentals. Information technology, communication services and healthcare emerged as the top-performing sectors. In the US, inflation cooled to a three-month low of 3.3% in May, coming in below market expectations. Conversely, the Eurozone (EU) saw inflation soar to 2.6% in May, marking a three-month peak, propelled by rising service sector input costs. Germany, France, and Spain recorded the steepest inflation increases within the region. Central banks in the EU, Canada, and Switzerland cut policy rates by 25 basis points, favouring economic expansion over inflation concerns. Meanwhile, the Bank of England maintained its bank rate at 5.25%, despite UK inflation hitting the 2% target. Emerging Markets (EM) outshone Developed Markets (DM) with a 3.9% rise in June, compared to the latter's 2.0% gain. China's stock market, however, suffered a downturn amid capital flight, fueled by economic and political instability.

US equities rose 3.5% over the month, propelled by a burgeoning AI sector, a sturdy economy, and a surge in manufacturing activity. The labour market remained strong, with healthy payroll numbers, while inflation receded to a three-month low, surpassing forecast. The S&P 500 and Nasdaq hit record peaks as all major indices advanced, reflecting investor confidence in the market's resilience. European equities fell by 2.2% in USD terms in June, pressured by rising inflation, political uncertainty in France and Britain, contracting manufacturing activity, and fiscal strains.

In June, Asia Pacific ex Japan markets rose by 3.9% in USD terms. At the 15th Lujiazui Forum, People's Bank of China (PBOC) Governor Pan Gongsheng confirmed the persistence of supportive monetary policies, steering clear of Western quantitative easing methods. The PBOC considered buying treasury bonds from the secondary market, in coordination with the Finance Ministry, to manage liquidity. China's economy faced challenges from a sluggish property sector and new trade sanctions imposed by the US and UK.

ASEAN markets ended in the green, however they underperformed the broader Asian region and EM in June. Singapore equities displayed a mixed performance but ultimately closed the month on a positive note. Investor sentiment was tested by a cooling property market and a climb in the inflation rate to 3.1% in May 2024, marking the highest point since previous December. Despite these concerns, Singapore's manufacturing sector showed resilience, expanding for the ninth straight month. Meanwhile, the Bank of Indonesia held its interest rate steady at 6.25% in its June 2024 meeting. This decision aimed to maintain inflation within target range for 2024 and 2025, stabilise the Rupiah, and encourage foreign capital inflows. Across the strait, Thailand grappled with political unrest and economic hurdles, including a surging inflation rate, which weighed on market sentiment.

In the fixed income markets, for US Treasuries (USTs) the yield on two-year USTs decreased by 18 basis points to 4.71%, while the yield on ten-year USTs dropped by 15 basis points to 4.36%. The US high yield market (ICE BofA U.S. High Yield Constrained Index) returned 0.97%; the Asian USD bond market, as reflected by the JPMorgan Asia Credit Index, experienced a 1.2% gain in June.

### Outlook

As we move into the second half of the year, US economic growth is projected to head lower as the lagged effects of tight monetary policy and restrictive financial conditions impact business investments and consumer spending. Recent data reveal that the number of job openings in the US has fallen while the unemployment rate has been steadily rising. Meanwhile, a mixture of base effects, easing energy prices and fewer supply chain constraints have helped to curb price pressures. With lower growth and softer inflation, central banks in developed countries have broadly indicated that the next move in policy rates is likely to be down.

Given the lower likelihood of a severe recession and the potential room for more accommodative monetary policy, in addition to current yield levels, we believe that current conditions are still ideal for fixed income assets. Value has returned to fixed income and a combination of favourable yields and idiosyncratic issuer performance dispersion is helping to create opportunities in the bond markets.

Within equities, though Asian equity valuations remain cheap relative to other regional markets, we remain cognisant of the lagged effects of higher interest rates, labor market conditions, commodity and goods inflation, and geopolitical events, all of which are contributing drivers of global volatility. The Fund will remain nimble, while diversifying and making further tactical adjustments as market conditions continue to evolve.

# PRULink Dollar Cash Flow Fund Plus

Fund Fact Sheet June 2024

PRU LIFE U.K. 

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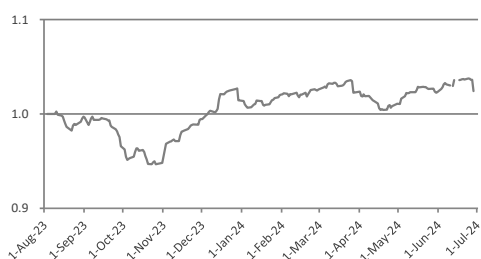
Key Information and Investment Disclosure

|                    |                           |                       |  |
|--------------------|---------------------------|-----------------------|--|
| Launch Date        | 03 August 2023            | Fund Classification   | Diversified  |
| NAVpu (PHP)        | 1.02422                   | Minimum Risk Rating   | 2 (Moderate)   |
| Fund Size          | USD 86.20 million         | Fund Manager          | Eastspring Investments   |
| Fund Currency      | US Dollar                 | Annual Management Fee | 1.95%  |
| Financial Year End | 31 <sup>st</sup> December | Benchmarks            | JP Morgan Asia Credit Index<br>MSCI World Index<br>ICE Bank of America US High Yield Constrained Index |

## Fund Objective

The Fund aims to provide non-guaranteed regular payout\* of up to 5% per year (or up to 1.25% per quarter) based on the number of units held at the time of payout computation, by investing in a diversified portfolio of US high-yield bonds, Asian bonds, global equities, and other dividend-yielding assets.

## Performance Chart



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## Annualized Performance

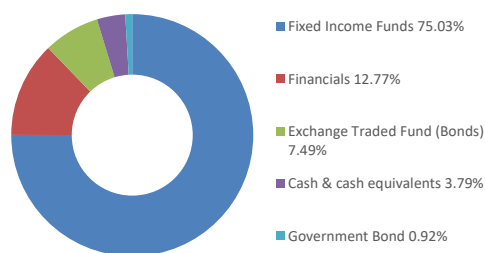
|             | 1-Month | 1-Year | 5-Year | Year-to-date | Since Inception |
|-------------|---------|--------|--------|--------------|-----------------|
| <b>Fund</b> | 0.12%   | n.a.   | n.a.   | 0.95%        | 2.42%           |

## Fund Statistics

|                       |               |         |
|-----------------------|---------------|---------|
| Highest NAVPU reached | (25 Jun 24)   | 1.03759 |
| Lowest NAVPU reached  | (27 Oct 23)   | 0.94669 |
| Initial NAVPU         | (03 Aug 2023) | 1.00000 |

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# 附錄

## PRULink Cash Flow Fund

基金概覽

七月 2024

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

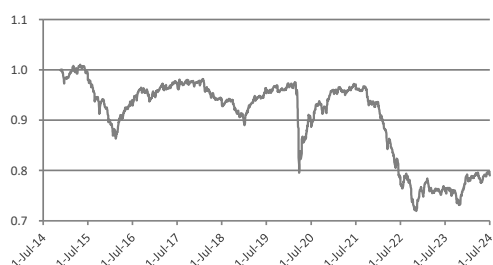
除非另有說明，所有數據截至 2024 年 7 月 1 日

|                            |                    |        |                                  |
|----------------------------|--------------------|--------|----------------------------------|
| 成立日期                       | 2014年11月17日        | 基金類別   | 多元化                              |
| 每單位資產淨值 <sup>1</sup> (USD) | 0.79001            | 最低風險評級 | 2 (中等)                           |
| 基金規模                       | USD 205.13 million | 基金經理   | Eastspring Investments           |
| 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。

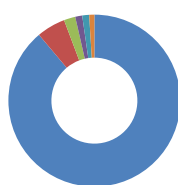
### 年度化表現

|    | 1個月   | 1年    | 5年     | 年初至今  | 自成立以來  |
|----|-------|-------|--------|-------|--------|
| 基金 | 0.10% | 4.12% | -3.70% | 0.72% | -2.42% |

### 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



|               |        |
|---------------|--------|
| ■ 固定收益基金      | 88.86% |
| ■ 交易所交易基金(債券) | 5.40%  |
| ■ 現金及現金等價物    | 2.16%  |
| ■ 股權基金        | 1.31%  |
| ■ 金融          | 1.30%  |
| ■ 政府公債        | 0.97%  |

### 頂尖控股

|   |  |        |
|---|--|--------|
| 1 | EASTSPRING INV US HI YLD BD D              | 45.25% |
| 2 | EASTSPRING INV ASIAN BOND D USD            | 43.61% |
| 3 | ISHARES HIGH YIELD CORP BOND UCITS ETF USD | 5.40%  |
| 4 | 現金 (美元)                                    | 2.16%  |
| 5 | EASTSPRING INV ASIAN EQUITY INC D          | 1.31%  |
| 6 | ISHARES S&P 500                            | 1.30%  |
| 7 | UNITED STATES TREASURY BILL 25-JUL-2024    | 0.97%  |

### 基金經理評論

註：請參閱附錄了解相關基金持倉。

(下頁繼續)

免責聲明：本文所載的觀點僅是關於可能發生的事情的一般觀點，Pru Life UK並不保證其準確性。Pru Life UK於1996年成立，是英國金融服務巨擘英國保誠集團（Prudential plc）的附屬公司。Pru Life UK是單位連結式或投資相連人壽保險的先鋒及目前領先市場的公司，亦是首間獲准在該國銷售美元計價保單的人壽保險公司之一。Pru Life UK是一間人壽保險公司，並不從事銷售生前計劃之業務。Pru Life UK及 Prudential plc並非Prudential Financial, Inc（一間在美國註冊的公司）、Philippine Prudential Life Insurance Company, Prudential Life Plans, Inc或Prudential Guarantee and Assurance, Inc（均為在菲律賓註冊的公司）的關聯公司。如欲了解關於我們的更多資訊，請瀏覽www.prulifeuk.com.ph。

## 基金经理点评 PRULink Cash Flow Fund

受企業盈利強勁、人工智能及科技進步以及基本因素加強所提振，全球股市在6月上升。資訊科技、通訊服務及醫療保健成為表現最佳的行業。美國通脹在5月跌至3.3%的三個月低位，低於市場預期。相反，受到服務業投入成本上升的帶動，5月歐元區通脹上升至2.6%，創下三個月新高。德國、法國及西班牙是歐元區中通脹升幅最高的市場。歐盟、加拿大及瑞士央行將政策利率下調25個基點，以優先促進經濟增長而非解決通脹憂慮。與此同時，儘管英國通脹達到2%的目標，英倫銀行仍將央行利率維持在5.25%。新興市場在6月以3.9%的升幅跑贏已發展市場，後者的升幅為2.0%。然而，由於經濟及政治不穩定引發資本外流，中國股市表現低迷。

人工智能行業迅速發展、經濟走強及製造業活動激增，帶動美國股票在月內上升3.5%。勞動市場保持強勁，就業數據理想，通脹則回落至三個月低位，降幅超出預期。隨著所有主要股票指數上升，標普500指數及納斯達克指數創下歷史新高，反映投資者有信心市場將保持強勁。由於通脹上升、法國及英國政局充滿變數、製造業活動收縮以及財政緊張，歐洲股市受壓，6月以美元計下跌2.2%。

6月，亞太區（日本除外）市場以美元計上升3.9%。在第十五屆陸家嘴論壇上，中國人民銀行行長潘功勝確認當局將持續推行支持性貨幣政策，避免採用西方的量化寬鬆方法。人民銀行考慮與財政部協調，由二手市場購買國債，以管理流動性。中國經濟面臨房地產行業低迷以及美國及英國最新貿易制裁的挑戰。

東盟市場在月底報升，但6月的表現落後於更廣泛亞洲市場及新興市場。新加坡股市表現參差，但最終在月底報升。鑑於房地產市場降溫，加上通脹在2024年5月攀升至3.1%，創下自去年12月以來的新高，投資者情緒受到考驗。儘管存在這些憂慮，新加坡製造業的表現仍然強勁，連續第九個月擴張。與此同時，印尼央行在2024年6月的會議上將利率維持在6.25%。此決定旨在將2024年及2025年的通脹維持在目標範圍內，穩定印尼盾匯價，並鼓勵外資流入。在亞洲的另一邊，泰國陷入政治動盪及通脹飆升等經濟困局，拖累市場情緒。

固定收益市場方面，兩年期美國國庫債券收益率下跌18個基點，報4.71%，10年期美國國庫債券收益率下跌15個基點，報4.36%。6月，美國高收益市場（洲際交易所美國銀行美國高收益債券限制指數）錄得0.97%回報；亞洲美元債券市場（以摩根大通亞洲信貸指數代表）則錄得1.2%回報。

### 展望

隨著我們踏入下半年，由於緊縮貨幣政策及限制性金融環境的滯後效應將影響商業投資及消費支出，預計美國經濟增長將會放緩。最新數據顯示美國職位空缺數量減少，失業率則穩步上升。與此同時，基數效應、能源價格回落及供應鏈限制減少等因素相結合，有助抑制價格壓力。隨著經濟增長放緩及通脹減弱，已發展國家的央行普遍表示將在下一輪行動下調政策利率。

由於出現嚴重衰退的機會較低，加上放寬貨幣政策的潛在空間以及當前的收益率水平，我們認為目前的條件仍然利好固定收益資產。價值已重返固定收益，加上吸引的收益率及發行人的業績表現異常分歧，均有助在債券市場創造機會。

股票方面，雖然亞洲股票的估值仍然低於其他地區市場，但我們繼續意識到利率上升的滯後效應、勞動市場狀況、商品及貨物價格通脹，以及地緣政治事件，這些因素均加劇全球波動。基金將保持靈活，同時進行分散投資，並隨著市況不斷發展作出進一步戰術調整。

## 附錄

# PRULink Peso Cash Flow Fund Hedged Share Class

基金概覽

七月 2024

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

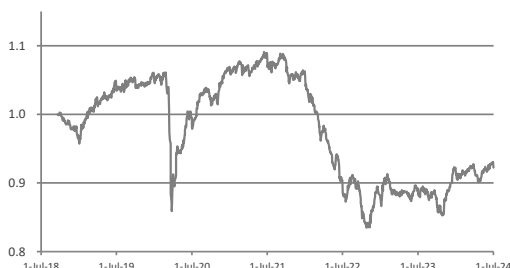
除非另有說明，所有數據截至 2024 年 7 月 1 日

|               |                  |        |                                  |
|---------------|------------------|--------|----------------------------------|
| 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) | 0.92252          | 最低風險評級 | 2 (中等)                           |
| 基金規模          | PHP 5.80 billion | 基金經理   | Eastspring Investments           |
| 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。

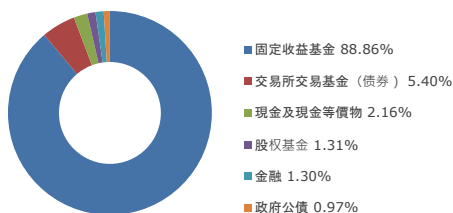
### 年度化表現

|    | 1個月   | 1年    | 5年   | 年初至今  | 自成立以來  |
|----|-------|-------|------|-------|--------|
| 基金 | 0.49% | 4.58% | n.a. | 1.16% | -1.37% |

### 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



### 頂尖控股

|   |  |        |
|---|--|--------|
| 1 | EASTSPRING INV US HI YLD BD D              | 45.25% |
| 2 | EASTSPRING INV ASIAN BOND D USD            | 43.61% |
| 3 | ISHARES HIGH YIELD CORP BOND UCITS ETF USD | 5.40%  |
| 4 | 現金 (美元)                                    | 2.16%  |
| 5 | EASTSPRING INV ASIAN EQUITY INC D          | 1.31%  |
| 6 | ISHARES S&P 500                            | 1.30%  |
| 7 | UNITED STATES TREASURY BILL 25-JUL-2024    | 0.97%  |

### 基金經理評論

(下頁繼續)

註：請參閱附錄了解相關基金持倉。

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### 展望

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# 附錄

## PRULink Global Market Navigator Fund - Unhedged Share Class

基金概覽

七月 2024



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

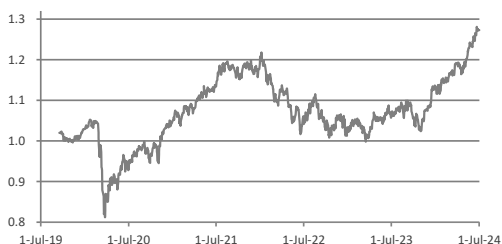
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|                              |                  |        |                        |
|------------------------------|------------------|--------|------------------------|
| 成立日期                         | 2019年9月16日       | 基金類別   | 多元化                    |
| 每單位資產淨值 <sup>1</sup> （菲律賓披索） | 1.25276          | 最低風險評級 | 3（進取）                  |
| 基金規模                         | PHP 1.71 billion | 基金經理   | Eastspring Investments |
| 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。

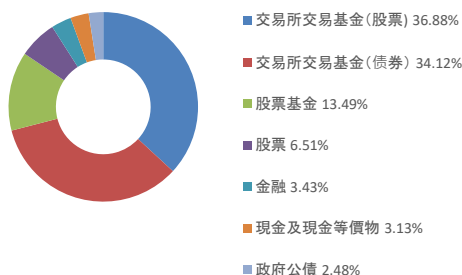
### 年度化表現

| 基金 | 1個月   | 1年     | 5年   | 年初至今   | 自成立以來 |
|----|-------|--------|------|--------|-------|
| 基金 | 3.41% | 19.64% | n.a. | 12.61% | 4.81% |

### 基金統計數據

|           |             |         |
|-----------|-------------|---------|
| 最高每單位資產淨值 | (21 Jun 24) | 1.26091 |
| 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



### 十大持股

|    |   |        |
|----|---|--------|
| 1  | ISHARES MSCI USA ESG SCREENED UCITS ETF USD ACC     | 19.37% |
| 2  | ISHARES \$ CORP BOND ESG UCITS ETF USD ACC          | 14.88% |
| 3  | ISHARES GLOBAL AGGREGATE BD ESG UCITS ETF USD ACC   | 12.26% |
| 4  | SPDR S&P 500 ESG SCREENED UCITS ETF USD ACC         | 10.72% |
| 5  | ESI- GLOBAL MF EQ FUND CLASS D                      | 8.56%  |
| 6  | JPMORGAN LIQUIDITY FUNDS - US DOLLAR LIQUIDITY FUND | 7.56%  |
| 7  | FORWARD EURO  | 4.77%  |
| 8  | ISHARES \$ HIGHYIELD CORPBOND ESG UCITS ETF USD ACC | 4.41%  |
| 9  | SGX FTSE AXJ NTR (USD) SEP 24                       | 3.11%  |
| 10 | ISHARES MSCI JAPAN ESG SCREENED UCITS ETF USD ACC   | 2.87%  |

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

(下頁繼續)

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## 基金经理点评 PRULink Global Market Navigator Fund - Unhedged Share Class

受企業盈利強勁、人工智能及科技進步以及基本因素加強所提振，全球股市在6月上升。資訊科技、通訊服務及醫療保健成為表現最佳的行業。美國通脹在5月跌至3.3%的三個月低位，低於市場預期。相反，受到服務業投入成本上升的帶動，5月歐元區通脹上升至2.6%，創下三個月新高。德國、法國及西班牙是歐元區中通脹升幅最高的市場。歐盟、加拿大及瑞士央行將政策利率下調25個基點，以優先促進經濟增長而非解決通脹憂慮。與此同時，儘管英國通脹達到2%的目標，英倫銀行仍將央行利率維持在5.25%。新興市場在6月以3.9%的升幅跑贏已發展市場，後者的升幅為2.0%。然而，由於經濟及政治不穩定引發資本外流，中國股市表現低迷。

人工智能行業迅速發展、經濟走強及製造業活動激增，帶動美國股票在月內上升3.5%。勞動市場保持強勁，就業數據理想，通脹則回落至三個月低位，降幅超出預期。隨著所有主要股票指數上升，標普500指數及納斯達克指數創下歷史新高，反映投資者有信心市場將保持強勁。由於通脹上升、法國及英國政局充滿變數、製造業活動收縮以及財政緊張，歐洲股市受壓，6月以美元計下跌2.2%。

6月，亞太區（日本除外）市場以美元計上升3.9%。在第十五屆陸家嘴論壇上，中國人民銀行行長潘功勝確認當局將持續推行支持性貨幣政策，避免採用西方的量化寬鬆方法。人民銀行考慮與財政部協調，由二手市場購買國債，以管理流動性。中國經濟面臨房地產行業低迷以及美國及英國最新貿易制裁的挑戰。

東盟市場在月底報升，但6月的表現落後於更廣泛亞洲市場及新興市場。新加坡股市表現參差，但最終在月底報升。鑑於房地產市場降溫，加上通脹在2024年5月攀升至3.1%，創下自去年12月以來的新高，投資者情緒受到考驗。儘管存在這些憂慮，新加坡製造業的表現仍然強勁，連續第九個月擴張。與此同時，印尼央行在2024年6月的會議上將利率維持在6.25%。此決定旨在將2024年及2025年的通脹維持在目標範圍內，穩定印尼盾匯價，並鼓勵外資流入。在亞洲的另一邊，泰國陷入政治動盪及通脹飆升等經濟困局，拖累市場情緒。

固定收益市場方面，兩年期美國國庫債券收益率下跌18個基點，報4.71%，10年期美國國庫債券收益率下跌15個基點，報4.36%。6月，美國高收益市場（洲際交易所美國銀行美國高收益債券限制指數）錄得0.97%回報；亞洲美元債券市場（以摩根大通亞洲信貸指數代表）則錄得1.2%回報。

### 表現

基金在6月的絕對表現整體向好。最利好回報的三個戰術性持倉包括：全球股票（相對於美國投資級別債券）、亞太區（日本除外）股票（相對於美國投資級別債券）及韓國股票（相對於新興市場股票）。最利淡回報的戰術性持倉包括：澳洲股票（相對於亞太區（日本除外））及中國（相對於新興市場）。

### 展望

隨著我們踏入下半年，由於緊縮貨幣政策及限制性金融環境的滯後效應將影響商業投資及消費支出，預計美國經濟增長將會放緩。最新數據顯示美國職位空缺數量減少，失業率則穩步上升。與此同時，基數效應、能源價格回落及供應鏈限制減少等因素相結合，有助抑制價格壓力。隨著經濟增長放緩及通脹減弱，已發展國家的央行普遍表示將在下一輪行動下調政策利率。

由於出現嚴重衰退的機會較低，加上放寬貨幣政策的潛在空間以及當前的收益率水平，我們認為目前的條件仍然利好固定收益資產。價值已重返固定收益，加上吸引的收益率及發行人的業績表現異常分歧，均有助在債券市場創造機會。

股票方面，雖然亞洲股票的估值仍然低於其他地區市場，但我們繼續意識到利率上升的滯後效應、勞動市場狀況、商品及貨物價格通脹，以及地緣政治事件，這些因素均加劇全球波動。基金將保持靈活，同時進行分散投資，並隨著市況不斷發展作出進一步戰術調整。