

FUND PERFORMANCE REPORT BALANCED FUND

December 2022



Sun Life

This document contains key information concerning the underlying funds of Sun Life's unit-linked policies.

Launch Date	November 2004	Fund Size	PHP 35,999,250,817
Net Asset Value Per Unit	PHP 2.6378		

What does the Fund invest in?

The Balanced Fund is offered as a fund option exclusive to Sun FlexiLink, Sun FlexiLink1, Sun MaxiLink 100, Sun MaxiLink Bright and Sun MaxiLink Prime, which are investment-linked life insurance products regulated by the Insurance Commission. The Fund is designed to provide optimum returns consisting of current income and capital growth through investment in a mix of fixed income (bonds) and equity (stocks) securities from both domestic and foreign issuers.

The Fund is suitable for clients with a **balanced risk profile** and long-term investment horizon. This is for clients who want to enjoy the relative safety of fixed income securities without sacrificing the growth potential of equities.

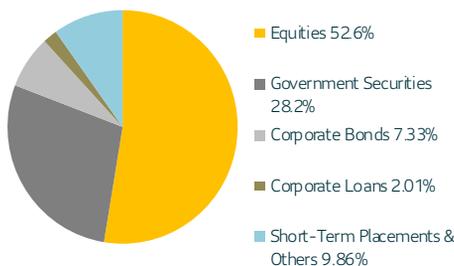
Top Equity Holdings:

SM Investments Corporation, 7.54%
SM Prime Holdings Inc., 5.74%
Ayala Land Inc., 3.67%
BDO Unibank Inc., 3.54%
Bank of the Philippine Islands, 3.38%

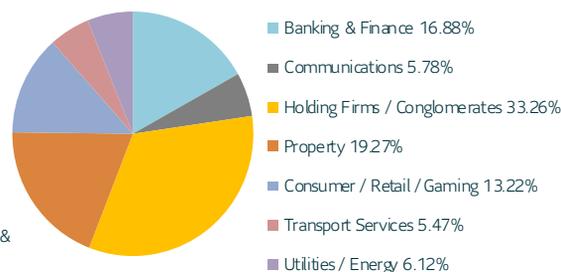
Top Fixed Income Holdings:

Treasury Notes 2036, 8.79%
Treasury Notes 2028, 6.98%
Treasury Notes 2025, 4.74%
Treasury Notes 2042, 2.12%
Corporate Loans 2024, 2%

Portfolio Mix

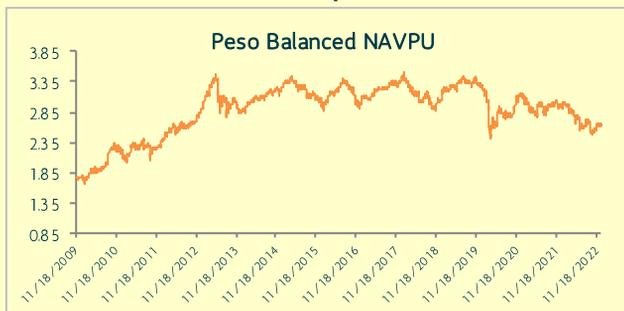


Sector Allocation



*Portfolio Mix & Sector Allocation may shift depending on market conditions.

How has the Fund performed?



VUL Balanced Fund Absolute Return

Since Inception	YTD	1-Year	3-Year	5-Year
163.78%	-10.33%	-11.76%	-20.31%	-21.77%

Market Review

- The Philippine Stock Exchange Index (PSEi) snapped a two-month streak of gains as it declined by 3.2% in December. On the other hand, the yield on local bonds trended lower by 0.5% to 1% during the month.
- Inflation remained the major concern for the market, especially with the price of food trending higher, as the November inflation print came in at 8%.
- The Bangko Sentral ng Pilipinas (BSP) responded to the strong inflation numbers by increasing its policy rate by another 50 basis points in December. BSP Governor Medalla stated that he expects inflation to ease back to the 2% to 4% range by the third quarter of 2023.
- Moving into 2023, the market will still be closely monitoring inflation data and forward guidance on interest rates moving forward.
- The PSEi may trade higher in the coming weeks given the strong holiday spending numbers that are likely to boost corporate earnings for the fourth quarter. Meanwhile, Governor Medalla's comments regarding inflation may boost buying interest in the local bond space as investors look to lock in yields at these elevated levels.

VUL Fund performance depends on various market and economic conditions. Past performance is not a guarantee or indication of future results. Thus, returns are not guaranteed and may differ from the original investment. Information contained in this Fund Performance Report do not constitute advice. For more information on our insurance products, please consult a Sun Life Financial Advisor.