

## Market Commentary

➔ **The View:** The PSEi inched down by 8.67 points or 0.13% and closed at 6,622.01 yesterday. The benchmark index fell for a second day this week after some last-minute profit taking took place ahead of the local 4Q 2023 gross domestic product (GDP) data due today. The preliminary GDP growth of 5.9% in 3Q 2023 was slightly revised upwards to 6%. In the US, the Dow gained 0.35%, while the S&P500 and the Nasdaq Composite declined by 0.06% and 0.76%, respectively. Investors are likely on guard while waiting for US Federal Reserve (Fed) Chairman Jerome Powell's statements in the post-meeting conference later today (US time). While the market expects rate cuts to come in quick succession this year, there are mounting worries that this may be delayed and could be fewer than what the Fed initially planned. The tech-heavy Nasdaq was pulled down by contractions of Alphabet and Microsoft stocks after some key metrics missed expectations despite top and bottom-line figures beating estimates. Meanwhile, European markets closed higher yesterday with the Stoxx600 moving up by 0.16%. Germany's economy contracted by 0.3% in 4Q 2023, raising concerns about a potential recession. This follows two consecutive quarters of flat growth. In contrast, France recorded stagnant growth (0.0%) during the same period, while Italy and Spain experienced growth of 0.2% and 0.6%, respectively. In the Asia-Pacific, markets ended lower yesterday led by Japan's Nikkei and Australia's ASX200 with 0.75% and 0.17% losses, respectively. Investors are looking forward to China's factory data this week. In the local bourse, sectors were mixed. Mining&Oil (+1.30%) had the best session, while Financial (-1.01%) fell the most. The rest had sub-1% changes. In the main index, JGS (+4.27%), GTCAP (+4.11%), and MONDE (+4.08%) had the biggest gains among 11 advancers. On the flip side, SMC (-2.79%), MER (-2.13%), and JFC (-1.89%) were the worst performers among 17 laggards. The market's turnover value went up by 6% to ₱4.48 billion. Foreigners ended with a net outflow of ₱566.33 million after 4 consecutive days of net buys. The local currency depreciated to ₱56.401 from ₱56.27 against the US dollar. Market volume could remain tepid today unless the PH GDP data makes up for some surprises. Investors are likely to exercise more caution and wait for the conclusion of the Fed's meeting for signs of its plans for monetary policy in the short-term. The PSEi could fall back to the 6,500-level again should market optimism be tempered by the Fed.

## Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,275.00	23.91%	14.29%
CNPF	3/13/20	13.10	32.00	144.27%	14.29%
FGEN	9/23/20	24.80	18.20	-26.61%	12.38%
AP	9/23/20	25.55	37.85	48.14%	12.38%
BDO	11/17/20	92.60	143.40	54.86%	-4.28%
BPI	11/17/20	83.00	110.40	33.01%	-4.28%
MBT	11/17/20	44.35	56.10	26.49%	-4.28%
SECB	11/17/20	103.90	71.30	-31.38%	-4.28%
CNVRG	6/13/22	22.50	9.25	-58.89%	2.40%
ALI	6/13/22	30.05	33.00	9.82%	2.40%
SGP	6/13/22	12.06	7.65	-36.57%	2.40%
<b>Ave. Return</b>				<b>17.01%</b>	<b>3.95%</b>

## PSEI INTRADAY



## INDICES

Index	Prev	Last	% Chg
PSEi	6,630.68	6,622.01	-0.13%
All Shares	3,487.71	3,487.71	0.00%
Financial	1,890.67	1,871.59	-1.01%
Industrial	9,015.33	8,975.64	-0.44%
Holding Firms	6,336.08	6,369.44	0.53%
Property	2,872.46	2,866.35	-0.21%
Services	1,595.24	1,604.06	0.55%
Mining & Oil	9,123.20	9,241.94	1.30%

## TOP 10

JGS	4.27%	SMC	-2.79%
GTCAP	4.11%	MER	-2.13%
MONDE	4.08%	JFC	-1.89%
ACEN	2.87%	ALI	-1.49%
NIKL	1.90%	BPI	-1.43%
GLO	1.65%	WLCON	-1.14%
ICT	1.44%	BDO	-1.04%
DMC	0.94%	EMI	-0.73%
CNVRG	0.54%	MBT	-0.71%
AGI	0.18%	TEL	-0.70%

## BOTTOM 10

## MARKET DATA

Market Volume	550,638,847
Market Turnover ( Value)	4,477,488,732
Foreign Buying	2,017,278,861
Foreign Selling	2,583,608,956
Net Foreign Buy / (Sell)	(566,330,095)

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## Economic Developments

- ➔ **IMF hikes PH growth outlook for this year.** The International Monetary Fund (IMF) has revised its GDP growth forecast for the Philippines upward to 6% for 2024, exceeding its previous estimate of 5.9% in October. The IMF expects this growth to be driven by increased public investment and improved external demand for Philippine exports, particularly in services. Despite the positive revision, the forecast falls short of the government's GDP growth target of 6.5-7.5% for 2024, and the IMF maintained its growth projections at 5.3% for 2023 and 6.1% for 2025, both below the government's targets for those years. The IMF highlighted potential risks to the outlook, including a more abrupt global economic slowdown, a weaker recovery in China, and geopolitical tensions. The multilateral lender also emphasized the importance of successful structural reforms and efforts to attract foreign investment domestically. Additionally, the IMF adjusted its inflation projection for the Philippines in 2024 to 3.7%, up from the previous estimate of 3.2%, citing expectations of higher global food prices. Despite the upward revision, inflation is anticipated to be significantly lower compared to the 6% average in 2023, gradually approaching the central bank's target range of 2-4% in the second half of 2024 and averaging 3% in 2025. *(BusinessWorld)*
- ➔ **Philippines seals 5-year Vietnam rice supply deal.** The Philippines and Vietnam have signed a Memorandum of Understanding (MoU) ensuring a stable supply of Vietnamese rice to the Philippines for five years. The agreement involves a commitment by Vietnam to supply 1.5 million to 2 million metric tons of white rice to the Philippines at a competitive and affordable price. Additionally, the two countries signed an MoU on agriculture cooperation, aiming to strengthen ties in agriculture, rural development, and related fields. The deal covers various areas of cooperation, including high-value crops, livestock, aquaculture, farm management and sustainability, smart agriculture, and aquaculture technology. President Ferdinand R. Marcos, Jr. expressed appreciation for Vietnam's readiness to support the Philippines' rice requirements, emphasizing the importance of food security and sustainable global supply chains, especially in the post-pandemic period. The President noted that the Philippines is committed to enhancing economic, trade, and investment ties with Vietnam and seeks to expand bilateral trade from the current \$7 billion to \$10 billion. He highlighted the potential for collaboration in projects related to mitigating pollution, pursuing low-carbon growth, and engaging in joint research initiatives. President Marcos also sought Vietnam's support in hosting the Board of the United Nations' Lost and Damage Fund and exploring business opportunities in renewable energy and the electric vehicle sector. *(BusinessWorld)*

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## Economic Developments

- ➔ **3Q 2023 GDP growth revised upward to 6%.** The Philippine Statistics Authority (PSA) has revised the GDP growth rate for the third quarter of 2023 upward to 6%, slightly higher than the initial estimate of 5.9%. This adjustment is attributed to key contributors, including the manufacturing sector, which saw its growth rate revised to 1.8% from 1.7%. Additionally, financial and insurance activities, as well as accommodation and food service activities, played a role in the revision, with growth rates adjusted to 9.6% and 21%, respectively. Despite these changes, the gross national income growth rate for the third quarter remained at 12.1%. The revisions are made following the PSA's approved policy consistent with international standard practices on national accounts revisions. For the first three quarters of 2023, the Philippine economy grew by 5.5%. Economic Planning Secretary Arsenio Balisacan has expressed the need for 7.2% growth in the fourth quarter to meet the lower end of the government's targeted 6% to 7% growth for 2023. However, economists anticipate challenges in achieving the full-year target due to lower consumption and exports growth. *(Philstar)*
- ➔ Agriculture output up 0.4% in 2023. Agricultural production in the Philippines increased by 0.4% in 2023, with the total value reaching ₱1.76 trillion, slightly higher than the ₱1.757 trillion recorded in 2022, according to data from the Philippine Statistics Authority (PSA). Among subsectors, the poultry sector exhibited the largest growth, rising by 3.8% to ₱262 billion, with chicken contributing significantly to the output. The livestock sector followed suit, with a production value of ₱263.4 billion, marking a 2.5% increase driven by hog production. The crops sector, representing 56.8% of total production, experienced a 0.7% increase to ₱1 trillion, with palay (rice) remaining the primary contributor. However, the fisheries sector saw a decline to ₱236 billion from ₱252.7 million in the previous year, with milkfish (bangus) maintaining the highest production in the subsector at ₱36.65 billion. *(Philstar)*

## Corporate Developments

- ➔ **AREIT, Inc. (AREIT).** AREIT has achieved Edge Zero Carbon Certification for eight office buildings spanning 354,000 square meters, making it the largest certified portfolio in the Philippines. The certified buildings include Glorietta 1 and 2 Corporate Center, Solaris One, McKinley Exchange Corporate Center in Makati, Vertis North Corporate Centers 1, 2, and 3 in Quezon City, and The 30th Corporate Center in Pasig. The certification recognizes a significant improvement in energy efficiency (45.33%), water conservation (49.07%), and embodied carbon material reduction (61.88%). AREIT and Ayala Land, Inc. (ALI) aim to achieve Edge Zero Carbon across 1.5 million square meters of office space by 2025, establishing the Philippines' largest Edge Zero Carbon office portfolio. *(AREIT Disclosure)*

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## Corporate Developments

➔ **Manila Water Company, Inc. (MWC)**. MWC and its subsidiary, Manila Water Philippine Ventures (MWPV), are exploring water supply partnerships with the Provincial Government of Pangasinan after the termination of the concession agreement (CA) between the parties. The consortium reached out to the local government to discuss the potential revival of the agreement, which was deemed mutually terminated at the close of 2023 due to non-fulfillment of conditions precedent by the Provincial Government of Pangasinan. The initial CA, signed in January 2022, aimed to increase water supply in the province by producing an additional 200 million liters of water per day through an ₱8 billion investment over 25 years, utilizing riverbank filtration technology from the Agno River. *(Philstar)*

## Other Developments

➔ **IMF upgrades global growth forecast, citing US resilience and policy support in China**. The International Monetary Fund (IMF) has revised its global growth forecast for 2024, projecting a growth rate of 3.1%, an increase of 0.2 percentage points from its October estimate. The boost is attributed to the unexpected strength of the US economy and supportive fiscal measures in China. Large emerging market economies like Brazil, India, and Russia have also outperformed previous expectations. Despite concerns about commodity price spikes and supply chain disruptions due to Middle East geopolitical volatility, the IMF sees a reduced likelihood of a "hard landing." The improved outlook is grounded in a resilient global economy in the latter half of the previous year, driven by robust demand, government spending, and an alleviation of supply chain challenges, according to Pierre-Olivier Gourinchas, the IMF's chief economist. The IMF's projections indicate growth rates of 2.1% for the US, 0.9% for the euro zone and Japan, and 0.6% for the United Kingdom in 2024. While risks persist, including potential tightening of monetary policy, withdrawal of fiscal support, and low productivity growth, Gourinchas pointed out that falling inflation rates, faster than anticipated, offer a positive aspect. The IMF anticipates global inflation at 5.8% in 2024 and 4.4% in 2025, with advanced economies experiencing a decline to 2.6% in 2024 and 2% in 2025. Gourinchas stated that the battle against inflation is progressing, increasing the likelihood of a soft landing and setting the stage for central banks to consider rate cuts in the latter half of the year if data confirms the positive trajectory. *(CNBC)*

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## Other Developments

→ **Saudi Arabia orders Aramco to lower oil capacity target.** Saudi Arabia's government has directed state oil company Aramco to halt its oil expansion plan and target a maximum sustained production capacity of 12 million barrels per day (bpd), which is 1 million bpd below the target set in 2020. For decades, Saudi Arabia has been the main holder of the world's significant spare oil capacity, providing a safety cushion for global supplies. The decision to lower the target aligns with ongoing efforts within the OPEC+ group, led by Saudi Arabia and Russia, to manage oil production levels and balance global markets, considering the rising supply from other major oil producers like the United States. Analysts speculate that this move may not indicate a change in the long-term outlook on future oil demand but could reflect a government expectation that demand for its oil will not rise as strongly as previously anticipated. This could lead to cost-saving measures, including potential curbing of capital expenditure by Aramco, redirecting funds to other government projects or initiatives. The reduced crude capacity target may also contribute to focusing on Aramco's growth areas, such as gas and new energies. The decision comes amid a global shift toward cleaner energy and declining investments in oil and gas due to concerns about future demand. Major oil consumers, including the U.S. and the European Union, have adopted policies aimed at transitioning away from fossil fuels. The move could impact the oilfield services sector, as shares of top oilfield services provider Schlumberger and its U.S. rivals fell following the news. The lowered capacity target may signal that Saudi Arabia and the UAE anticipate limited demand to pump closer to their capacity in the short term. This development reflects broader trends in the energy sector, where governments and companies are adjusting strategies in response to changing market dynamics and global efforts to reduce reliance on fossil fuels. Aramco is expected to provide an update on its capital expenditure plans when it announces its 2023 full-year results in March. *(Reuters)*

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## CASH DIVIDEND SCHEDULE

\*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
ABA	AbaCore Capital Holdings, Inc.	Php0.01	Cash	Common	06/23/22	06/28/22	TBA
BKR	Bright Kindle Resources & Investments Inc.	Php0.0037	Cash	Common	10/13/23	10/16/23	TBA
TFC	PTFC Redevelopment Corporation	Php2.00	Cash	Common	01/08/24	01/09/24	02/02/24
DDMPR	DDMP REIT, Inc.	Php0.0256820	Cash	Common	01/19/24	01/22/24	02/14/24
8990B	8990 Holdings, Inc.	Php1.375	Cash	Preferred	01/26/24	01/29/24	02/10/24
PSB	Philippine Savings Bank	Php0.75	Cash	Common	02/01/24	02/02/24	02/19/24
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	02/06/24	02/07/24	02/27/24
RFM	RFM Corporation	Php0.074194	Cash	Common	02/06/24	02/07/24	03/05/24
ACPAR	Ayala Corporation	Php39.741875	Cash	Preferred	02/13/24	02/14/24	02/29/24
APB2R	Ayala Corporation	Php6.02675	Cash	Preferred	02/13/24	02/14/24	02/29/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	02/21/24	02/22/24	03/08/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	02/27/24	02/28/24	03/14/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	02/27/24	02/28/24	03/14/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	02/29/24	03/01/24	03/18/24
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	02/29/24	03/01/24	03/25/24
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	02/29/24	03/01/24	03/25/24
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	03/12/24	03/13/24	04/08/24
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	03/12/24	03/13/24	04/08/24
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	03/12/24	03/13/24	04/08/24
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2M	San Miguel Corporation	Php1.5703125	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2N	San Miguel Corporation	Php1.5649875	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2O	San Miguel Corporation	Php1.611300	Cash	Preferred	03/20/24	03/21/24	04/04/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	04/04/24	04/05/24	04/29/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	05/23/24	05/24/24	06/10/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	05/29/24	05/30/24	06/14/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	05/29/24	05/30/24	06/14/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	05/31/24	06/03/24	06/18/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	07/04/24	07/05/24	07/29/24

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## CASH DIVIDEND SCHEDULE

\*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	08/22/24	08/23/24	09/09/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	08/29/24	08/30/24	09/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	08/29/24	08/30/24	09/16/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	09/02/24	09/03/24	09/18/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/04/24	10/07/24	10/28/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	11/21/24	11/22/24	12/09/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	11/28/24	11/29/24	12/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	11/28/24	11/29/24	12/16/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	12/02/24	12/03/24	12/18/24

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## Stocks Dividends/Property Dividends

Ticker	Company	Amount/Rate	Dividend Type	Share Type	Ex-date	Record Date	Payment Date
PNB	Philippine National Bank	0.156886919 shares of PHC for every 1 share of PNB	Property	Common	05/13/21	05/18/21	TBA
AC	Ayala Corporation	3 ACEN shares per 1 AC common share	Property	Common	05/24/22	05/27/22	01/09/23
ABA	AbaCore Capital Holdings, Inc.	0.0009 PRIDE shares per 1 ABA common share	Property	Common	06/23/22	06/28/22	TBA
GREEN	Greenery Holdings Incorporated	0.0561786222 share of ANI for every 1 share of the company	Property	Common	06/27/22	06/30/22	TBA
BKR	Bright Kindle Resources & Investments Inc.	(1) BHD share for every three (3) common BKR shares	Property	Common	10/13/23	10/16/23	TBA
MACAY	Macay Holdings, Inc.	0.936 common share of ARC for every 1 common share of MACAY	Property	Common	10/20/23	10/23/23	TBA
MFIN	Makati Finance Corporation	0.5435056706%	Stock	Common	08/22/22	08/25/22	TBA
LPC	LFM Properties Corporation	60%	Stock	Common	TBA	TBA	TBA
VMC	Victorias Milling Company, Inc.	100%	Stock	Common	TBA	TBA	TBA
CEI	Crown Equities, Inc.	10%	Stock	Common	TBA	TBA	TBA
SBS	SBS Philippines Corporation	22%	Stock	Common	TBA	TBA	TBA

Note: AC  
Sripless shareholders will have a moving payment date for their property dividends

## Stocks Rights/Follow-on Offering

Ticker	Company	Offer Price	Ratio	Offer Shares	Ex-date	Offer Start	Offer End	Listing Date
MA	Manila Mining Corporation	Php0.01	1:5	51,917,357,741	04/26/22	05/16/22	05/20/22	TBA
ANI	AgriNurture, Inc.	Php1.00	1:2.5	288,000,027	TBA	TBA	TBA	TBA
LC	Lepanto Consolidated Mining Company	Php0.12	1:3.95	16,803,989,391	TBA	TBA	TBA	TBA
PBB	Philippine Business Bank	Php10.00	1:4.6428	50,000,000	03/07/2023	03/10/2023	03/17/2023	TBA

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