

The
MARKET CALL
Capital Markets Research



FMIC and UA&P Capital Markets Research

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Executive Summary

The economy had a fast start in 2024 as new record employment and all-time lows in unemployment closed the previous year. Inflation will average well within BSP target at 3.2% in Q1 and 3.8% for the year. The two factors together should boost consumer spending, apart from sustained infrastructure spending by the government. The latter has become more doable as National Government debt-to-GDP fell to 60.2% in 2023 from 60.9% in the previous year and should slide further to 59.0% in 2024. GDP QoQ growth in Q4 showed acceleration when seasonally adjusted and this should continue in 2024 where full year GDP should expand by at least 6.0%. The local equities market also took off as it posted a 3.0% gain in January and broke through strong resistance of 6,700 by early February. While a technical correction may ensue in Q2, faster GDP growth and robust corporate earnings support our view that PSEi will reach 7,000-7,500 during the year. The bond market also saw a surge in secondary trading volume in January with yields on a modest rise. We expect more activity in the later part of Q2 and the rest of 2024 with 10-year yields falling to 5.25% to 5.75% by yearend.

Macroeconomy

3 Record high employment (50.5-M), record low unemployed (1.6-M) and unemployment rate (3.1%) in December should underpin consumer spending in H1-2024. Lower average inflation of 3.2% in Q1-2024, should provide additional support. GDP growth in Q4-2023 actually accelerated by 2.1% QoQ from average 1.6% in Q2-Q3 suggesting growth momentum still in place. National Government's debt-to-GDP ratio fell to 60.2% in 2023, with a further decline to 59.0% in 2024 should support expanded NG spending to sustain infrastructure spending at least 5.0% of GDP. U.S. dollar strength amid elevated interest rates there would put pressure on the exchange rate to weaken in H1.

Employed persons hit record 50.5-M while unemployed down to all-time low of 1.6-M, and unemployment rate to 3.1% in December. • GDP expanded by 5.6% in Q4-2023 and in FY 2023. Seasonally adjusted GDP climbed by 2.1% QoQ, faster than the average 1.6% in Q2-Q3.

• Manufacturing PMI still expansionary in January, while output rises modestly by 2.0% in December. • Inflation slid further to 2.8% YoY in January from 3.1% a month ago as twelve out of thirteen product categories' sub-indices either declined or steadied. • In December exports mildly slip by -0.5% YoY while capital goods imports flattened. • USDPHP weakened by 1.4% MoM in January as U.S. dollar renews strength, and PH trade deficit still high at \$4.0-B in December.

Bond Markets

13 Way above market expectations, job growth in the U.S. exceeded 300,000 in December and January while the latter's inflation came at 3.1% YoY (higher than 2.9% consensus). These should prod the Fed to keep policy rates unchanged until June 2024. U.S. bond yields have climbed only moderately to around 4.15% for 10-year U.S. T-bonds, as investors expect a "goldilocks" situation of lower inflation without a recession. This has also meant a modest increase in local 10-year bond yields which we had a hard time breaching 6.25% by mid-February. However, we expect broadly sideways movement in these debt papers in the next three months as yields may not drop much either with YoY inflation in the coming months inching a little above the 2.8% YoY print in January.

BTr normalizes auctions in January and accepted P241.0-B on offer, with yields for T-bills rising by as much as 54 bps. • Secondary trading volume soared by 58.4% MoM in January. • Yields rise less in longer tenors by 10.1 bps to 17.4 bps (for 3-year and 10-year) compared to 19.3 bps to 28.4 bps for 3-mos to 1-year papers. • Trading in the corporate bond market surged by 63.4% MoM to P3.3-B in January. • ROPs yields rise faster than equivalent U.S. Treasuries as investors preferred to go for dollar assets.

Equities Market

19 PSEi has landed in an overbought position after reaching 6,850 by mid-February. Slight overweighting by MSCI in its rebalancing by end-February, robust macroeconomic data as well as potentially strong corporate earnings in Q4-2023 and Q1-2024 should limit the downside. We also anticipate the PSEi to hit the 7,000-7,500 range within the year, following a period of correction in Q2. Looking ahead, we maintain a positive outlook for the Holdings, Telcos, Services, Property, and Consumer sectors as PSEi gets an added boost from foreign investors.

PSEi rose by +3.0% MoM ending January at 6,646.44 as four out of six sectors registered gains. • The Financial sector had the best performance with +8.4% MoM increase in January, followed by the Holdings sector with +3.7% uptick. • Bloomberry Resorts Corporation (BLOOM) led the PSEi-constituent stocks with +13.6% MoM gain followed by GT Capital Holdings Inc.'s (GTCAP) 12.8% upswing. • Nickel Asia Corporation (NIKL) dipped the most with -11.7% MoM loss amid weak nickel prices abroad. • 2024 started with foreign investors emerging as net buyers in January to the tune of P4.4-B.

Economic Indicators (% change, latest month, unless otherwise stated)	Latest Period	Previous Period	Year-to-Date	2022 (year-end)	2023 (year-end)
GDP Growth (Q4-2023)	5.6	6.0	5.6	7.2	5.6
Inflation Rate (January 2024)	2.8	3.9	2.8	8.1	6.0
Government Spending (November 2023)	-4.7	8.3	3.9	13.6	-
Gross International Reserves (\$B) (January 2024)	103.4	103.7	103.4	95.1	103.7
PHP/USD rate (January 2024)	55.97	55.59	55.97	55.68	55.63
10-year T-bond yield (end-January 2024)	6.16	6.02	6.16	6.98	6.35

Sources: Philippine Statistics Authority (PSA), Bangko Sentral ng Pilipinas (BSP), Department of Budget and Management (DBM), Philippine Stock Exchange (PSE), Philippine Dealing System (PDS), and Authors' Calculations

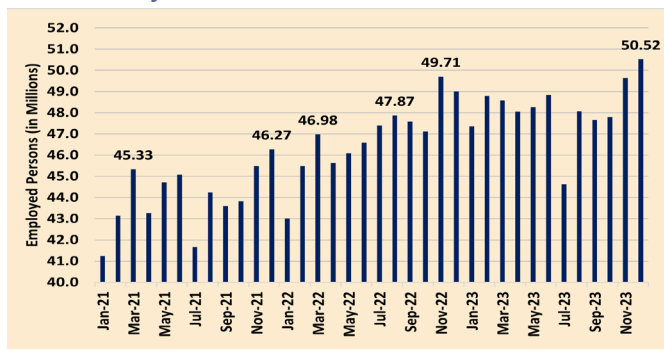
MACROECONOMY

JANUARY DATA RELEASES SUPPORT SANGUINE MACRO OUTLOOK FOR 2024

The unemployment rate plunged to a record low of 3.1% in December driven by a historical high in employed persons to 50.5-M. At the same time, total unemployed persons dove to its lowest ever at 1.6-M. GDP expanded by 5.6% YoY both in Q4 and full year, seemingly a slowdown. Seasonally adjusted GDP actually showed an acceleration to 2.1% QoQ from Q2-Q3 1.6% average QoQ. Manufacturing PMI and output continued their positive, albeit mild, run into January. Inflation slid further to 2.8% in January from 3.9% a month earlier. The peso-dollar again weakened in December by -1.4% following similar movements across the region.

Outlook: All-time high in employed persons and low in unemployed, in addition to milder inflation (3.8% from 6.0%), should provide consumers with more purchasing power in 2024. GDP growth of 5.6% in 2023 will likely accelerate since seasonally adjusted data showed no slowdown in Q4. Infrastructure spending shall continue to exceed 5.0% of GDP since lower debt-to-GDP to 59.0% provides same fiscal space. Manufacturing appears likely to accelerate from 1.3% growth in 2022. Inflation will continue to slide into BSP's target range as crude oil prices will trend slightly lower while imports and better H2 harvests should limit rice price gains. Finally, the peso will remain under pressure as the U.S. dollar retains strength due to high interest rates there in H1.

Figure 1 - Number of Employed Persons (in Millions)
All-Time High of 50.5-M Employed Pushed Unemployed to Record Low of 1.6-M



Source of Basic Data: Philippine Statistics Authority (PSA)

Total Employed Hits Record 50.5-M Driving Unemployment Rate to New Low of 3.1%

The resilient economy added 1.3-M new jobs in December driving total employment to a record of 50.5-M (from previous high of 49.7-M in November 2022) and unemployment rate of 3.1% from 3.6% a month earlier. The number of added employed persons greatly exceeded the increase in underemployed (224,000) despite a slight rise in underemployment rate to 11.9% from 11.7% in November.

Another record emerged from the further drop in unemployed persons to 1.6-M from 1.8-M a month ago. The 1.8% MoM increase in employment in December came in despite an increase the labor force participation rate to 66.6% from 65.9% in November.

The Industry sector accepted 1.4-M new job entrants, while the Agriculture sector put 127,000 to work. The Services sector discharged some 583,000 workers, likely those hired for the peak Christmas season.

The Manufacturing sub-sector, which powered the Industry sector, added a huge 848,000 jobs to more than make up for the 656,000 that left in November. The large numbers likely arose from survey timing. The Construction sub-sector contributed another 462,000 workers to take advantage of the dry season, the third consecutive month of positive net job hires.

Table 1 - Labor Force Survey Summary

	November 2023	December 2023	MoM Change	
			Levels	% Change
Labor Force	51,469	52,127	658	1.3%
Employed	49,635	50,525	889	1.8%
Underemployed	5,787	6,010	224	3.9%
Underemployment rate%	11.7	11.9	0.24	2.0%
Unemployed	1,833	1,602	(231)	-12.3%
Unemployment rate%	3.6	3.1	(0.49)	-13.7%
Labor Participation rate%	65.9	66.6	0.75	1.1%
Not in Labor Force	26,639	26,085	(554)	-2.1%
Agriculture ('000)	12,189	12,315	127	1.0%
Industry ('000)	7,904	9,249	1,345	17.0%
Mining and Quarrying	200	200	1	0.3%
Manufacturing	2,947	3,793	846	28.7%
Electricity, Gas, Steam, and Air-Conditioning Supply	106	99	(7)	-6.8%
Water Supply; Sewerage, etc.	29	73	44	151.8%
Construction	4,622	5,084	462	10.0%
Services ('000)	29,543	28,960	(583)	-2.0%
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	10,925	10,270	(655)	-6.0%
Transportation and Storage	3,658	3,476	(181)	-5.0%
Accommodation and Food Services Activities	2,344	2,517	174	7.4%
Information and Communication	463	559	96	20.6%
Financial and Insurance Services	656	558	(99)	-15.0%
Real Estate Activities	230	241	12	5.0%
Professional, Scientific, and Technical Activities	316	309	(7)	-2.2%
Administrative and Support Services Activities	2,497	2,314	(183)	-7.3%
Public Administration and Defense; Compulsory Social Security	2,783	2,932	148	5.3%
Education	1,633	1,641	8	0.5%
Human Health and Social Work Activities	602	643	41	6.7%
Arts, Entertainment, and Recreation	449	386	(63)	-14.1%
Other Service Activities	2,986	3,101	114	3.8%

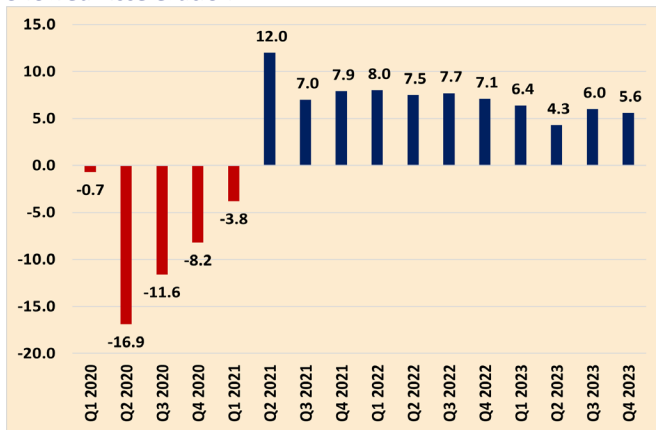
Source of Basic Data: Philippine Statistics Authority (PSA)

For the Services sector, holiday trips and merrymaking pushed Accommodations & Food Activities to add 174,000 to job openings, the highest in the sector. Public Administration & Defense sub-sector came next with an uptake of 148,000. Other Services placed a distant third as it accommodated 114,000 more people into its workforce. Information & Communication offset its 77,000 decrease in jobs in November with a 96,000 uptick in this month. The biggest job losses occurred in the Trade (Wholesale and Retail, -655,000), Administrative and Support Services (-183,000) and Transportation & Storage (-181,000) subsectors.

Based on averages for the year, the economy raised 1.5-M jobs some 2.8% above 2022, while the labor force only expanded by 1.7%. Job gains easily exceeded labor force growth. Also, on average the number of underemployed fell by -10.9%.

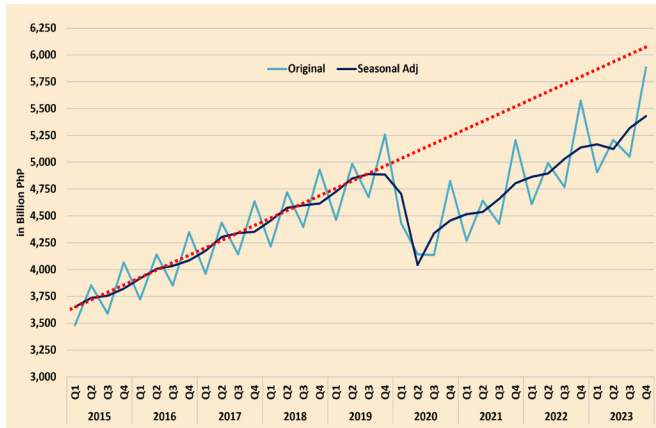
The December uptick confirms the economy's robust recovery and should support stronger consumer spending in 2024.

Figure 2 - GDP Growth Rates, Year-on-Year Growth Rates
GDP YoY Slowed to 5.6% in Q4-2023, While Seasonal Fix
Showed Acceleration



Source of Basic Data: Philippine Statistics Authority (PSA)

Figure 3 - GDP Original Data Vs. Seasonally Adjusted
Nearer 2015-2019 Trend Line



Source of Basic Data: Philippine Statistics Authority (PSA)

GDP Eased to 5.6% YoY in Q4, But Up by 2.1% QoQ with Seasonally Adjustment

The Philippine economy expanded for another quarter with a GDP growth of 5.6% year-on-year (YoY) in Q4-2023, albeit slower than the (revised upward) 6.0% YoY growth recorded in the previous quarter. Increased investment and household spending fueled the growth this quarter amid elevated interest rates and easing inflation. Dragged by the global economic slowdown full year growth of 5.6% may pale in comparison with 7.6% gain in 2022, but the country outperformed its regional peers including investors’ “favorite” Vietnam (+5.1%) in 2023.

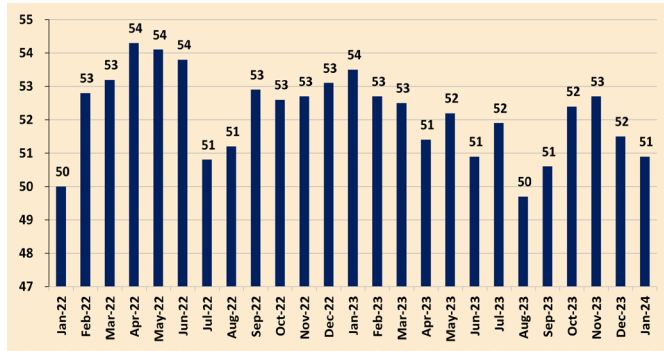
While a slowdown occurred, in seasonally adjusted (s.a.) quarter-on-quarter (QoQ) GDP showed a resilient 2.1% expansion, apparently weaker than 3.8% QoQ in Q3-2023 when the latter vaulted from a low base of -0.6% in Q2. In the graph of seasonally adjusted data below, the Q4-2023 level had nearly reached the trend established in pre-pandemic period of 2015-2019. When annualized Q4-2024 climbed by 8.7%, a strong performance. The s.a. 2.1% Q4 growth handily exceeded the average Q2 and Q3 growth of 1.6%. The use of the average of the two previous quarter makes sense since QoQ growth computations rely on the previous quarter’s performance.

Weaker government spending (-1.8%) tempered the growth momentum. With this, 2023 concluded with a full-year GDP growth of 5.6%, government’s target range of 6.0% to 7.0% for 2023. Meanwhile, Gross National Income (GNI) almost grew twice that of GDP growth by 11.1% YoY in Q4-2023, as Net Primary Income (NPI) from the Rest of the World rose by 97.7% YoY.

Domestic demand inched up by 5.6% YoY in Q4-2023. The leading contributor to this growth is the resurgence of Gross Capital Formation (GCF) which saw a YoY rebound of 11.2% from -1.4% YoY in the previous quarter, as all subsectors turned in a green scorecard, with Durable Equipment (+14.6%) leading the pack. Unlike in Q3 when the external sector (exports less imports of goods and services) showed lower negative balance, which had dropped by -12.0%. This time the negative balance climbed by 18.7%, pulling down total GDP growth.

Household Final Consumption Expenditure (HFCE) also mirrored this trend, posting a YoY increase of 5.3% in Q4-2023 from 5.1% YoY in the preceding quarter, although it fell short of the 7.0% YoY figure from last year. The key sectors that steered the growth in consumer spending this quarter include Restaurants & Hotels (+16.2%) and Transport (+12.2%) sectors.

Figure 4 - Manufacturing PMI
Manufacturing PMI Eased to 50.9 in January 2024



Source of Basic Data: S&P Global

On the other hand, Government Final Consumption Expenditure (GFCE) contracted by -1.8% YoY from last quarter’s upswing of 6.7% YoY. This resulted partly from a high base of expenditures in Q4-2022.

Current account deficit also widened by 18.7% YoY to P596.3-B due to exports of goods and services dropping by -2.6% YoY compared to imports of goods and services, which climbed by 2.9%.

Viewed from the production side (or Value-Added approach), all sectors and sub-sectors posted sustained acceleration of the Services to 7.4% YoY in Q4 expansion from 6.1% and 6.8% for Q2 and Q3, respectively led by the Accommodations & Food Services sub-sector (+19.2%). This together with robust growth in Transportation & Storage (+9.7%) suggests that “revenge spending” has not ended. In the second place comes Other Services (+11.9%), the only double-digit gainer. The Industry sector followed in the sectoral race with a 3.2% YoY jump. Surprisingly, even the Agriculture sector notched a 1.4% YoY increase, as farmers responded to higher food prices.

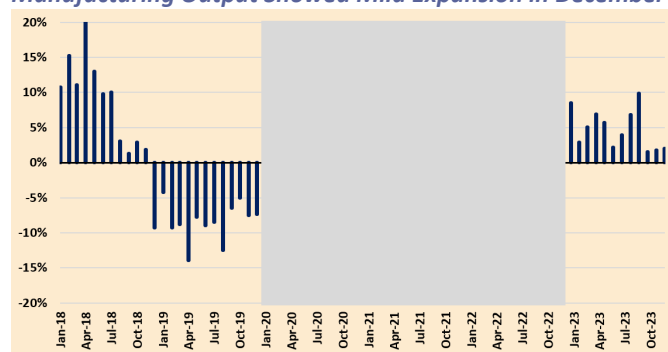
In the Industry sector, Construction sub-sector provided the largest contribution of 8.5% YoY, albeit slower than 14.2% in Q3. However, the Mining & Quarrying sub-sector exhibited the fastest pace of 10.3%, accelerating from 5.1% in Q3. The Manufacturing sub-sector ended at the bottom edging up 0.6% YoY from 1.8% in Q3.

On a seasonally adjusted basis, the country’s GDP edged up by 2.1% quarter-on-quarter (QoQ), as GCF and HFCE advanced by 6.4% QoQ and 2.8% QoQ, respectively. From the production side, again the Services sector posted the highest growth at 3.2% QoQ as 10 out of 11 sub-sectors clocked positively. The Industry sector recorded a 0.4% QoQ increase since heavy-weighted Construction sub-sector eased by -0.7% QoQ from 4.4% in Q3.

Manufacturing PMI Started 2024 with Mild Expansion, While Output in December Ended With 2.0% Uptick

S&P Manufacturing PMI for the country grew modestly to 50.9 in January from 51.5 in December, driven by a slowdown in new orders and output growth. This figure signaled the fifth consecutive month of expansion of the country’s manufacturing sector since its contraction in August 2023. However, global headwinds and weaker demand from external markets like China remains a downside risk to the sector.

Figure 5 - Volume of Production Index
Manufacturing Output Showed Mild Expansion in December



Source of Basic Data: Philippine Statistics Authority (PSA)

Nevertheless, the local manufacturers still held an optimistic view about their production in the coming months, as reflected in their buying activity which rose at its fastest pace for the past six months.

Industrial output as measured by the Volume of Production Index (VoPI) rose to 2.0% YoY in December from 1.8% in the previous month.

Out of the 22 industry divisions, nine registered positive performances, led by Manufacture of Basic Pharmaceutical Products and Pharmaceutical Preparations (+38.2%), Manufacture of Coke & Refined Petroleum Products (+38.1%), and Manufacture of Electrical Equipment (+30.8%). These three industry divisions also experienced gains in November 2023.

Meanwhile, 13 industry divisions posted annual declines, led by Manufacture of Wood, Bamboo, Cane, Rattan Articles & Related Products (-55.3%), Manufacture of Leather & Related Products, Including Footwear (-33.0%), and Manufacture of Machinery & Equipment Except Electrical (-17.8%). These same three industry divisions also saw negative performances a month ago.

Table 2 - Major Contributors to Year-on-Year Inflation

Inflation Year-on-Year Growth Rates	Dec-2023	Jan-2024	YTD
	3.9%	2.8%	2.8%
Food and Non-Alcoholic Beverages	5.4%	3.5%	3.5%
Alcoholic Beverages and Tobacco	9.0%	8.4%	8.4%
Clothing and Footwear	4.2%	3.8%	3.8%
Housing, Water, Electricity, Gas, and Other Fuels	1.5%	0.8%	0.8%
Transport	0.4%	-0.4%	-0.4%
Restaurants and Accommodation	5.6%	5.5%	5.5%
Personal Care & Miscellaneous Goods and Services	4.6%	4.0%	4.0%

Note: **Green font** - means higher rate (bad) vs. previous month
Red font – means lower rate (good) vs. previous month

Source of Basic Data: Philippine Statistics Authority (PSA)

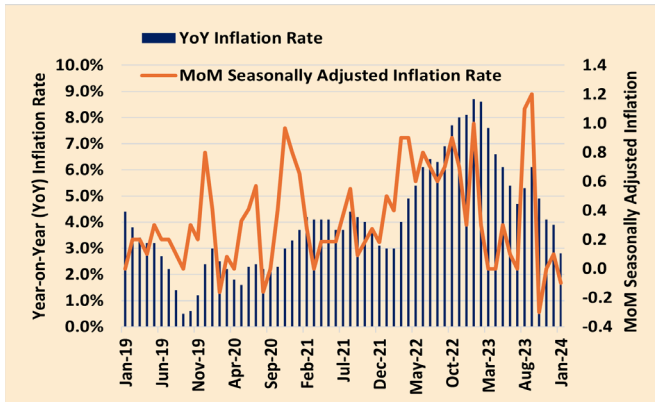
Inflation Plunged to 39-month Low of 2.8% in January

Headline inflation plummeted to a 39-month low of 2.8% YoY in January as food prices eased while transport costs declined. Full year inflation rate averaged at 6.0% slightly faster than 5.8% in 2022, as high rice and other food prices plagued the markets. That all 12 out of 13 product categories' prices either fell or steadied.

Higher rice prices (up 22.9% YoY) again failed to pull up other food prices up as 10 out of 11 specific types of key food products decelerated or declined. Heavy-weighted Food & Non-alcoholic beverages (FNAB, 37.7% of CPI) slowed the most to 3.5% YoY in January from 5.4% in December 2023. Fish & Other Seafoods prices led the slowdown to 1.2% YoY from 4.8% in November, followed by Meat products which had an uptick of 5.6% YoY from 7.4% a month ago.

Transport sub-index turned negative at -0.4% YoY from 0.4% a month earlier, a total of -0.8% down. Housing, Water, Electricity, Gas, and Other Fuels (HWEGOF) rates eased by -0.7% points to register a 0.8% YoY rise. Thus, while MoM crude oil price rose by 3.1%, on yearly basis these declined. West Texas Intermediate (WTI, U.S. benchmark) averaged \$74.15/barrel (bbl) a -5.0% YoY fall, while Brent crude averaged \$80.12/bbl, representing a smaller -2.8% YoY slide.

Figure 6 - Monthly Inflation Rates, YoY and MoM (s.a.)
YoY Inflation Fell Anew to 39-mo low of 2.8% in January



Source of Basic Data: Philippine Statistics Authority (PSA)

When seasonally adjusted (s.a.), the MoM inflation show a modest -0.1% drop, the fourth consecutive month in which MoM inflation stayed negative, flat or mildly positive (+0.1% in December).

Figure 7 - Crude Oil Prices (West Texas Intermediate) Monthly
Lower Forecasts for 2024, and Actual February 2024 Below Forecast



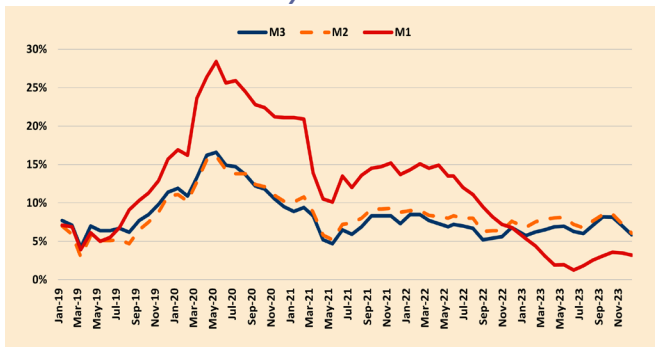
Source of Basic Data: Trading Economics

Despite the August-September uptick, we think inflation will die soon, as we see Q1 inflation averaging at 3.1%. While we might see another blip if the El Niño phenomenon gets nasty, its peak, according to the charts of National Oceanic and Atmospheric Administration (NOAA) “A transition from El Niño to ENSO-neutral is likely by April-June 2024 (79% chance), with increasing odds of La Niña developing in June-August 2024 (55% chance).” Thus, we may expect a good rice harvest in H2. But what about H1? That’s for imports to handle. Vietnam has already committed to sell 2-M MT to PH, while Thailand has likewise committed a similar quantity to Indonesia. In any case, we have adopted a worst case scenario and still end up with a full year inflation rate of 3.8%. Crude oil prices are not worrisome because every time they spike, a correction has occurred in a week or two.

Money Supply (M3) Eased to 5.9% YoY in December

Domestic liquidity (M3) grew by 5.9% YoY to P17.4-T in December, albeit slower than the 7.0% YoY increase in November. On a MoM seasonally adjusted basis, M3 rose by 0.4%.

Figure 8 - M1, M2, M3 Growth Rates
M3 Growth Decelerated by 5.9% in December



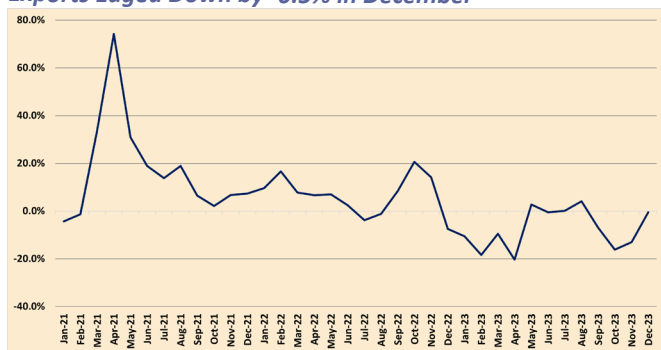
Source of Basic Data: Bangko Sentral ng Pilipinas (BSP)

Net foreign assets (NFA) in peso terms inched up by 4.3% YoY in December, faster than the 3.2% uptick in November. The Bangko Sentral ng Pilipinas' (BSP) NFA position also increased by 7.4% YoY in December from 5.1% YoY a month ago. Additionally, the NFA of banks declined on account of lower interbank loans receivable.

Lending for production activities also expanded by 5.5% in December, following its 5.7% growth in November, as outstanding loans to key industries grew, specifically Real Estate Activities (+10.9%), and Wholesale and Retail Trade, and Repair of Motor Vehicles and Motorcycles (+7.2%). Electricity, Gas, Steam, and Airconditioning Supply (+6.2%) also saw an increase in its loan availments.

Meanwhile, consumer loans jumped by 23.5% in December from 23.6% in November, driven by the sustained increase in credit card loans, motor vehicle loans, and salary-based general purpose consumption loans.

Figure 9 - Exports Growth Rates, Year-on-Year
Exports Edged Down by -0.5% in December



Source of Basic Data: Philippine Statistics Authority (PSA)

Table 3 - Exports Year-on-Year Growth Rates

	Nov-2023	Dec-2023	YTD
Total Exports	-13.7	-0.5	-7.6
Agro-Based Products	6.5	14.1	-20.0
Mineral Products, of which	13.3	-14.2	-2.7
Copper cathodes	38.0	-7.3	2.3
Others (incl. nickel)	-6.2	-46.1	-18.3
Manufactured Goods	-17.5	0.5	-7.4
Electronic Products	-24.7	2.8	-9.2
Other Electronics	1.7	-8.8	6.8
Chemicals	29.0	13.3	-5.9
Machinery and Transport Equipment	33.9	-20.9	9.0
Processed Food and Beverages	12.0	1.5	-7.0
Others	0.5	4.3	-0.4

Source of Basic Data: Philippine Statistics Authority (PSA)

Exports Posted a -0.5% Downtick in December

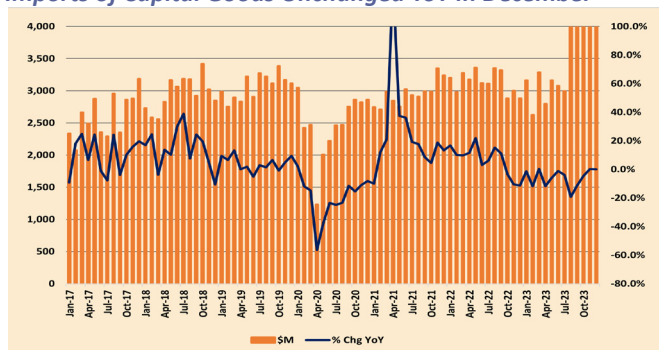
Exports fell for the fourth straight month by -0.5% YoY in December from -13.0% YoY in November. In monetary terms, this amounted to \$5.7-B in December from \$5.8-B a year ago.

Six of the 10 major commodities expanded in December. Exports of Gold registered the highest growth with a 68.6% YoY increase from last year. Outward shipments of Bananas (Fresh) followed suit with a 29.2% YoY gain. The country's top export, Electronic Products, also went up by 2.8% YoY in December. On the other hand, Other Mineral Products and Machinery and Transport Equipment posted declines of -46.1% YoY and -20.9% YoY, respectively.

By major types of goods, Petroleum Products still took the top spot after registering a 19.9% YoY upswing in December, followed by Total Agro-Based Products which rose by 6.6% YoY. Special Transactions (+4.1% YoY) and Manufactured Goods (+0.5% YoY) also experienced minor gains in December. Meanwhile, Mineral Products and Forest Products trekked down by -14.2% YoY and -10.2% YoY in December, respectively.

Hong Kong dethroned U.S. as the top destination for the country's exports in December with a record of \$951.1-M, a 66.0% increase from last year. The U.S. followed suit with a total export value of \$904.7-M, representing 15.7% of total exports in December. Furthermore, Japan and People's Republic of China came next with each of them having a total export share of 12.2%.

Figure 10 - Imports of Capital Goods (in Million USD)
Imports of Capital Goods Unchanged YoY in December



Source of Basic Data: Philippine Statistics Authority (PSA)

Table 4 - Imports Year-on-Year Growth Rates

	Nov-2023	Dec-2023	YTD
Total Imports	0.0	-5.1	-8.2
Capital Goods	0.1	0.0	-5.9
Power Generating and Specialized Machines	-9.4	-13.3	1.4
Office and EDP Machines	3.8	-19.6	-30.4
Telecommunication Equipment and Electrical Machinery	-13.9	-14.8	-9.2
Land Transport Equipment excluding Passenger Cars and Motorized cycle	46.9	3.1	8.0
Aircraft, Ships and Boats	92.4	777.7	9.3
Prof. Sci and Cont. Inst., Photographic Equipment and Optical Goods	22.4	-11.4	5.0
Raw Materials and Intermediate Goods	-3.8	-5.8	-13.2
Mineral Fuels, Lubricant and Related Materials	-7.8	-27.2	-16.3
Consumer Goods	15.4	10.6	9.2

Source of Basic Data: Philippine Statistics Authority (PSA)

Capital Goods Imports Experienced Flat Growth in December

Imports of capital goods posted flat growth in December to \$2.9-B. Meanwhile, total imports declined by -5.1% YoY in December to \$9.8-B from \$10.3-B last year.

Among the capital goods imports, Aircraft, Ships and Boats remained in the top spot after a whopping 777.7% YoY gain in December following its 92.4% YoY growth in the previous month. Land Transport Equipment Excluding Passenger Cars and Motorized Cycle followed suit with 3.1% YoY uptick. On the downside, Office and EDP Machines ended December with a -19.6% YoY plunge, trailed by Telecommunication Equipment and Electrical Machinery which decreased by -14.8% YoY.

Imports of Transport Equipment posted the highest growth among the top import commodities in December with a 49.7% YoY rise. Cereals and Cereal Preparations came next as it surged by 29.6% YoY. On the contrary, imports of Mineral Fuels, Lubricants and Related Materials led the decliners after a -27.2% YoY slump.

Given the steeper dip in imports relative to exports, the trade deficit in December narrowed to \$4.0-B. This represents a -15.1% MoM contraction from November and an -11.0% YoY decrease from the same month a year ago.

Table 5 - Exchange Rates vs USD for Selected Asian Countries

Exchange Rates vs USD for Selected Asian Countries			
	Dec-2023	Jan-2024	YTD
AUD	-3.1	3.5	-1.4%
CNY	-0.2	0.9	1.9%
INR	-0.2	-0.1	0.6%
IDR	3.2	3.2	-1.5%
KRW	-0.3	3.3	1.2%
MYR	2.6	2.6	4.2%
PHP	-0.4	1.2	-1.0%
SGD	-0.9	1.4	-2.2%
THB	3.5	-1.8	-1.8%

Note: Green font - means it depreciated, weaker currency
 Red font – means it appreciated, stronger currency

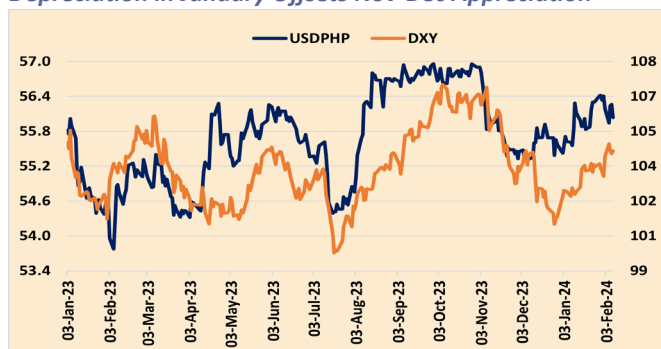
Source of Basic Data: Bangko Sentral ng Pilipinas (BSP)

Peso Weakened Anew by 1.2% in January 2024

Trading mostly above P56.00/\$1 in the second half of December, the peso-dollar rate averaged at P56.294, or -1.2% MoM weaker than a month earlier, despite the U.S. dollar weakening during the month by -1.1%. As may be seen in the table, all but two of the ASEAN+3 currencies depreciated.

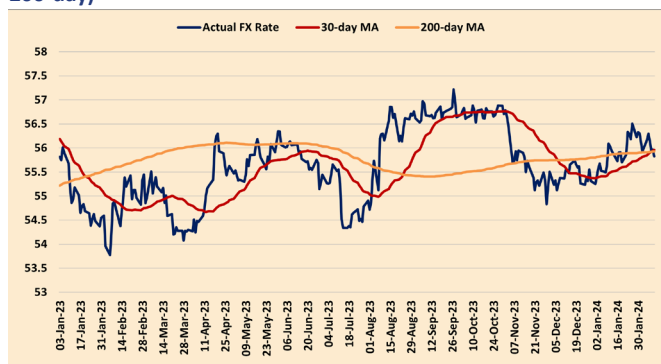
USDPHP trekked above both the 30-day and 200-day moving averages (MA) in January 2024. Some correction seems to emerge as the month ended. Moving forward, we keep our view that the upward pressure on the peso will continue due to the huge balance of trade deficits (estimated at \$56.0-B in 2024) and the likely strength of the U.S. dollar in H1.

Figure 11 - USDPHP vs USD Weighted Index
 Depreciation in January Offsets Nov-Dec Appreciation



Source of Basic Data: Trading Economics

Figure 12 - USDPHP Rate, Actual and Moving Averages (30-day and 200-day)



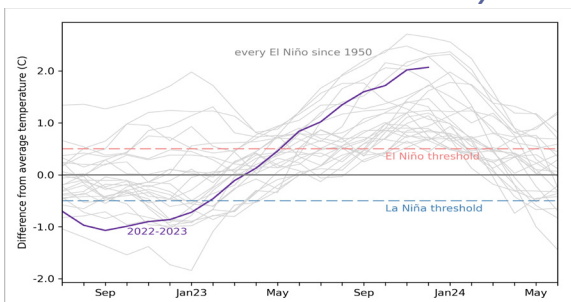
Source of Basic Data: Bangko Sentral ng Pilipinas (BSP)

Outlook

Data released in January validated our more sanguine view of the economy. We expect an acceleration of annual GDP growth to at least 6.0% in 2024 from 5.6% in 2023.

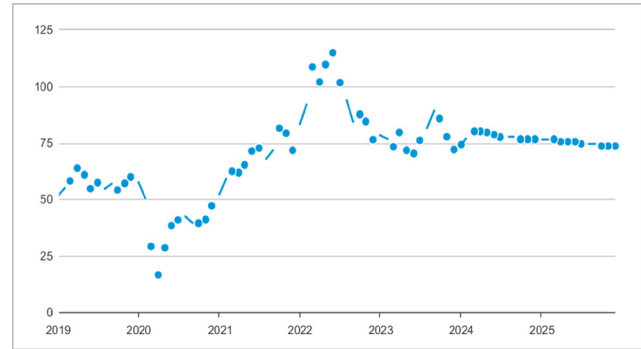
- Record high employment and all-time lows for total unemployed persons in December and inflation back to BSP target should provide the necessary wherewithal to consumers to open their wallets in 2024, starting in Q1.
- Looking more closely on seasonally adjusted GDP and its main components, we don't see a slowdown in Q4; rather we see an acceleration from the average Q2 (low base) and Q3 expansion. That should provide the momentum for faster gains in 2024.
- With Manufacturing PMI still pointing to expansion in January, consistently since July 2022, and a modest increase in output (VoPI) in December, a likely recovery for the subs-sector looks more attainable in 2023 from the feeble 1.3% increment over 2022.
- Headline inflation's unabated decline to 2.8% YoY in January 2024 seems no fluke, since seasonally adjusted MoM inflation in October-January yielded negative, zero or 0.1% results. Moving forward, we don't think oil prices will deter the downward slide of inflation to within BSP target, since U.S. Energy Information Administration projects a downward trend of crude oil price (WTI) from the over-estimated \$80/bbl in February to \$76.50 by December 2024 and \$73.50/bbl by December 2025. The outlook relies on China's economic slowdown and abundant supply available from OPEC and non-OPEC countries. As for rice prices, we think the El Niño phenomenon will end by May 2024 based on NOAA charts (below) and together with assured imports from Vietnam in H1 should mitigate further rice price gains.

Figure 13 - El Niño Actual and Historical Patterns Severe But Not Worst and to Peak in January 2024



Source: National Oceanic and Atmospheric Administration (NOAA)

Figure 14 - WTI Crude Oil Spot Price (in dollars per barrel)



Source: U.S. Energy Information Administration

- Money (M3) growth will likely remain muted still at much below 10.0% YoY since BSP remains averse to policy rate cuts in H1.
- Finally, USDPHP will remain challenged in H1 as elevated U.S. interest rates draw foreign funds into the U.S. while PH continues to post huge trade deficits much like in 2022 and 2023.

FIXED INCOME SECURITIES

2024 USHERS IN REKINDLED LOCAL BOND MARKETS AS SECONDARY TRADING SOARS BY 58.4%

Amid indications that the Fed would not start policy rate cuts until June or H2, 10-year U.S. T-bond yields mildly rose by 10 bps in January to 3.99%. This drove local 10-year bond yields to a higher uptick of 17.4 bps to 6.175%. Nonetheless, secondary market trading of government securities (GS) soared by 58.4% month-on-month (MoM) in January. Bureau of the Treasury (BTr) auctions returned to normal in January with tenders reaching P696.8-B for P241.0-B on offer. However, local bond investors flocked into long tenors in anticipation of lower inflation and yields, where auctioned Treasury bonds (T-bonds) notched a tender-offer ratio (TOR) of 3.086x compared to 2.508x for Treasury bills (T-bills).

Outlook: Fed officials more recently suggested no rate cuts at least before June 2024, and robust job gains exceeding 300,000 in December and January with the latter's inflation print at 3.1% YoY (vs. consensus of 2.9%) would give the Fed more reason to stay the course. Nonetheless, the 10-year U.S. Treasuries have hovered around 4.15% in February from 3.99% at end-December, as more investors expect a "soft" landing of the U.S. economy. Local 10-year bond yields also climbed similarly but has had difficulty breaking through 6.25% by mid-February due to rapidly falling inflation rates. However, further drops in inflation may not occur soon and so we expect sideways yield movements until April. After resuming regular auctions in January, BTr has opted to issue RTBs in February for cash and bond exchange which should cover much of its funding needs in H1.

Table 6 - Auction Results

Date	T-Bond/ T-Bill	Offer (Php B)	Tendered (Php B)	Accepted (Php B)	Tendered ÷ Offered	Ave. Yield	Change bps
29 Jan	91-day	27.0	68.872	27.00	2.551	5.398	40.2
	182-day	29.0	67.670	29.00	2.333	5.810	54.3
	364-day	25.0	66.588	25.00	2.664	6.076	34.4
Subtotal		81.0	203.130	81.00	2.508		
3-Jan	3 year (FXTN 03-30)	30.0	53.279	30.00	1.776	5.900	
9-Jan	5 year (FXTN 05-78)	30.0	74.329	30.00	2.478	6.073	-2.6
16-Jan	7 year (FXTN 07-71)	30.0	107.095	30.00	3.570	6.094	-5.0
	7 year TAP	5.0	49.399	5.00	9.880	6.125	
23-Jan	10 year (FXTN 10-72)	30.0	102.233	30.00	3.408	6.218	-6.0
	10 year TAP	5.0	44.949	5.00	8.990	6.250	
30-Jan	3 year (FXTN 03-30)	30.0	62.434	30.00	2.081	6.007	10.7
Subtotal		160.0	493.718	160.00	3.086		
All Auctions		241.0	696.848	241.00	2.891		

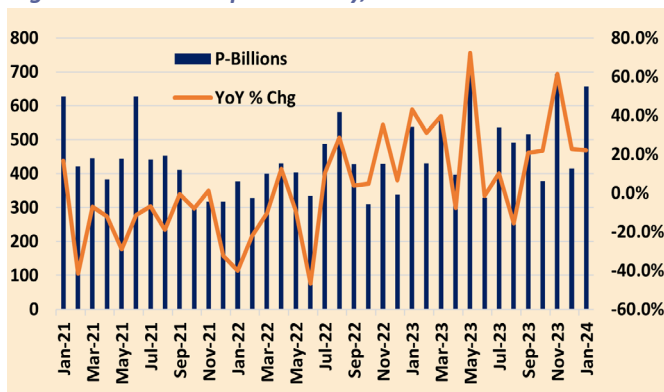
Source: Bureau of the Treasury (BTr)

GS Auctions: More Offerings, but Investors Preferred Long Dated Debt

Despite offering P241.0-B in January auctions, with five each for Treasury bills (T-bills) and Treasury bonds (T-bonds) the Bureau of the Treasury (BTr) accepted an equivalent amount, as tenders reached P696.8-B for a tender-offer ratio (TOR) of 2.891x. The January auctions topped the usual four auctions for T-bills and T-bonds. The offer exceeded the P190.0-B in November.

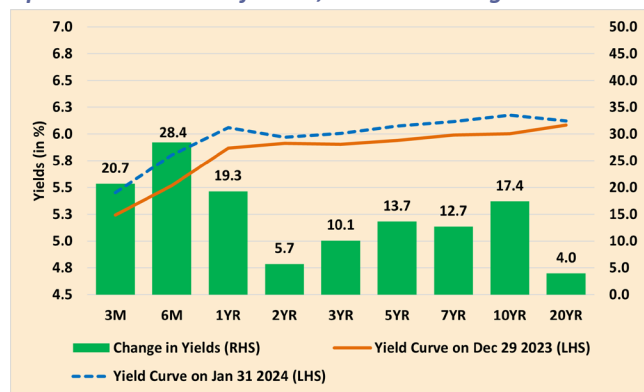
Investors preferred longer dated debt papers as they expected little upside amid subsiding inflation, downplayed mildly rising yields in January. This got reflected in TOR for T-bills at 2.508x compared to 3.086x for T-bonds. These have driven T-bill yields higher by 54.3 bps for 182-day to 40.2 bps for 91-day. In the case of T-bonds, only the 3-year bond yields climbed by 10.7 bps. The offerings for 5-year, 7-year, and 10-year T-bonds which attracted relatively more tenders showed slight declines ranging from -2.8 bps (for 5-year papers) to -6.0 bps (for 10-year debt).

Figure 15 - GS Secondary Trading Volume
Big 58.4% MoM Jump in January, Better than in 2021-23



Source: Philippine Dealing Systems (PDS)

Figure 16 - GS Peso Yield Curves and MoM Change
Upward Movement of Curve, but Less in Longer Maturities



Sources: Bloomberg, Philippine Dealing Exchange (PDEX)

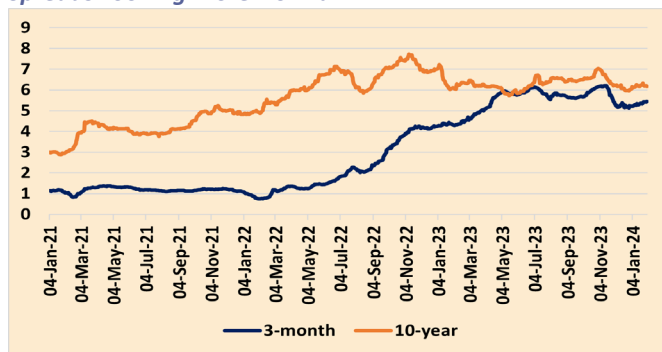
GS Secondary Market: 2024 Started with Higher 58.4% MoM Bond Trading

Despite higher bond yields driven by movements abroad, especially in the U.S., secondary trading volume of local government securities (GS) vaulted by 58.4% MoM to P656.5-B in January as lower domestic inflation lured bond investors back into the market. On a yearly (YoY) basis, volumes also jumped by 22.1%, slightly off the 22.7% YoY uptick in December.

Cautionary statements by Fed officials with respect to earlier market expectations of policy rate cuts dampened U.S. bond markets and drove up yields on U.S. Treasury bonds. This had only a partial impact on local bond yields which increased from 5.7 bps for 2-year papers to 28.4 bps for shorter 6-month securities. Although all parts of the yield curve moved up, the increase clustered around 20.0 bps. The 10-year bond yields rose by 17.4 bps to 6.175% while 1-year yields jacked up by 19.3 bps to 6.060%. The second highest increments of 20.7 bps occurred in the 3-month space bringing the yields to 5.451% from 5.244% a month earlier. The 3-year yields saw the second lowest uptick of 10.1 bps to 6.006%.

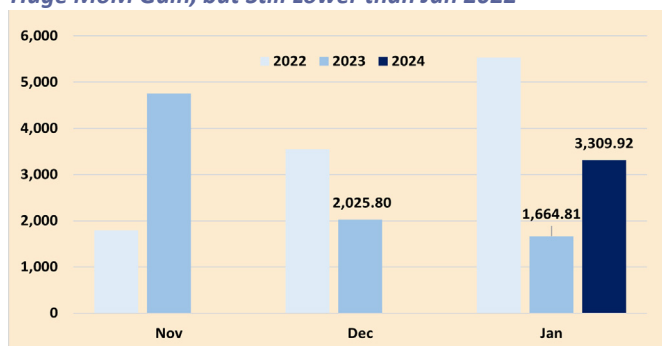
The yield curve steepened by 13.5 bps to end January at 22.2 bps (i.e., 10-year less 2-year yields).

Figure 17 - 3-Month and 10-Year Bond Yields Spreads Looking More Normal



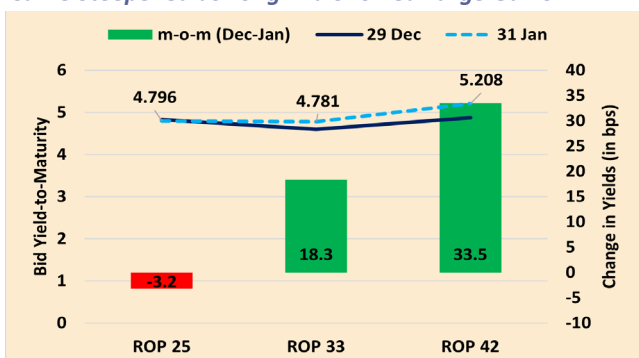
Source: Philippine Dealing Systems (PDS)

Figure 18 - Corporate Bond Trading (in Million Pesos) Huge MoM Gain, but Still Lower than Jan 2022



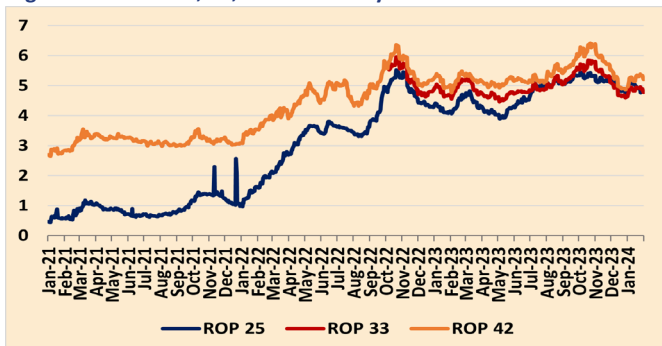
Sources: Bloomberg, Philippine Dealing Exchange (PDEX)

Figure 19 - ROPs Yield Curve and MoM Change Curve Steepened as Long End Showed Large Gains



Source: Bloomberg

Figure 20 - ROPs 25, 33, 42 Yields Daily Movements



Sources: Bloomberg, First Metro Investment Corporation (FMIC)

Corporate Bond Issuances and Trading

Issuances. With the upward rebound of GS yields, corporates may have delayed issuances for later in H1 in favor of bank financing. Thus, we did not find any new corporate bond issuance in January.

Secondary Market. The corporate secondary bond market had a good start in 2024 as total trading volume soared by 63.4% MoM to P3.3-B from December, and 93.0% YoY from the same month in 2023. However, the volume failed to exceed those registered in January 2020, 2021, and 2022.

ROPs: Yields Rise in Long End More than U.S. Treasuries

Yields of Republic of the Philippines U.S. dollar-denominated bonds (ROPs) rose at the long end, as investors flocked to U.S. Treasuries in the light of statements of Fed officials that policy rate cuts won't occur any time soon. ROP-33 and ROP-42 climbed by 18.3 bps and 33.5 bps to 4.781% and 5.208%, respectively while ROP-25 (due in a year) shed 3.2 bps to 4.796%, resulting in a slightly steeper yield curve.

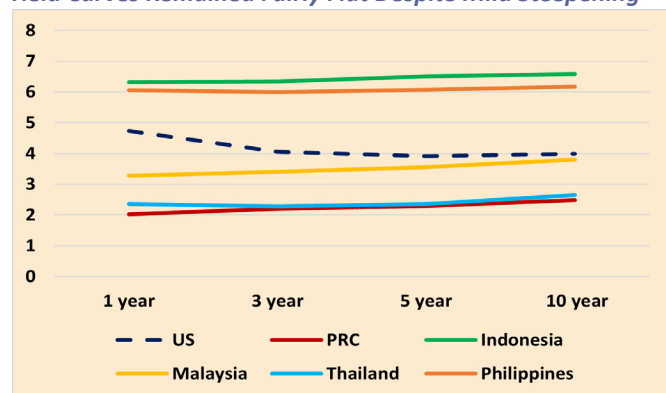
The 10-year and 20-year U.S. Treasuries, on the other hand, had a milder rise of 11.0 bps and 14.0 bps to 3.99% and 4.34%, respectively as market players in that market likely added modestly to their long bonds in anticipation of policy rate cuts by mid-year. Although Fed governors spoke of an earlier market overreach (i.e., the huge majority view that the Fed would start rate cuts by March), this just meant a delay in the start of policy rate cut cycle to around June, depending naturally on the speed at which the inflation rate heads towards the 2% Fed target. The 1-year yield, however, fell by -6 bps to end January 2024 at 4.73%.

Table 7 - Spreads of ROPs Over Equivalent U.S. Treasuries (bps)

Spreads of ROPs over Equivalent U.S. Treasuries (bps)			
Date	3-month	10-year	20-year
30-Nov	38.1 (3-mo)	75.1	97.8
29-Dec	-	71.8	67.3
31-Jan	6.6	79.1	86.8

Sources: UA&P Direct Estimates from Federal Reserve Board, Philippine Dealing & Exchange Corporation (PDEX)

Figure 21 - Comparative ASEAN+1 Yield Curves, end-January 2024
Yield Curves Remained Fairly Flat Despite Mild Steepening



Sources: Asian Development Bank (ADB), Federal Reserve Board

These movements had the combined effect of widening the spread between ROPs and equivalent U.S. Treasuries. For ROP-33 and ROP-42, the spread increased by 7.3 bps and 19.5 bps, respectively.

The outlook for ROPs appears a little better after January's large upticks. Besides, the fundamentals of the Philippine economy, with robust GDP growth and inflation falling into the BSP target range should make ROPs a bit more attractive.

ASEAN+1: Mild Steepening of Yield Curves

U.S.: GDP robustly rose modestly by 3.3% YoY in Q4-2023, following its 4.9% YoY growth in Q3, as consumer and government spending slowed down. The country's manufacturing sector made a recovery after Manufacturing PMI rose to 50.7 in January from 47.9 in December, driven by the growth in new orders and slower decline in output.

In December, both exports and imports increased by 1.5% to \$258.2-B and 1.3% to \$320.4-B, respectively. Consequently, the country's trade deficit modestly widened to \$62.2-B in December.

The Fed's policy rate remained unchanged at 5.25%-5.50% after its January meeting. The yield curve became less inverted at -28.0 bps in January from -35.0 bps in December.

CHINA: The economy expanded by 5.2% YoY in Q4-2023 faster than last quarter's 4.9% YoY, driven by the growth in the services sector as well as the favorable base effect from previous year's Q4 figure of 2.9%.

The country saw its overall price level decreasing for the fourth consecutive month after deflating further to -0.8% in January from -0.3% in December. Meanwhile, factory activity increased for the third straight month as the Caixin General Manufacturing PMI rose to 50.8 in January, similar to its December figure.

The People's Bank of China's (PBoC) 1-year medium-term lending facility (MLF) rate currently sits at 2.50%. The spread between 10-year and 2-year bond yield went down by 3.0 bps to 33.0 bps in January.

INDONESIA: Q4-2023 GDP went up by 5.0% YoY, slightly higher than its 4.9% YoY GDP upstick in the previous quarter, as government spending made a recovery. Its manufacturing sector also expanded for the 29th consecutive month in January as PMI grew to 52.9 from 52.2 a month ago. The country's inflation print inched down to 2.57% in January from 2.61% a month earlier, driven by the slower price increase on its food and non-food items.

Meanwhile, Bank Indonesia (BI) maintained its policy rate at 6.0% in its January meeting. The yield curve's steepness measure rose by 17.0 bps to 34.0 bps in January.

MALAYSIA: GDP inched up by 3.4% YoY in Q4-2023 from 3.3% YoY in Q3-2023, driven by the growth in agricultural activities and the recovery of the manufacturing and mining sectors. Manufacturing PMI reached 49.0 in January, marking the 17th straight month of contraction in the manufacturing sector. On the inflation front, the country's inflation rate remained unchanged at 1.5% in December.

Exports in December tumbled down by -10.0% to MYR 118.5-B (\$25.4-B) while imports edged up by 2.9% to MYR 106.7-B (\$22.8-B). This narrowed the country's trade surplus to MYR 11.8-B (\$2.5-B) in December from MYR 28.0-B (\$6.0-B) last year.

Bank Negara Malaysia's (BNM) policy rate still remained at 3.0% in its January meeting. The spread between 10-year and 2-year bond yields steepened by 9.0 bps to 43.0 bps in January, the widest among its ASEAN peers.

THAILAND: Thailand registered deflation for the fourth straight month in January, as consumer prices further dropped to -1.1% from -0.8% in December, caused by further price decline on non-food items. Meanwhile, the manufacturing sector remained in contraction mode for the sixth consecutive month as Manufacturing PMI slightly rose 46.7 in January from 45.1 in December.

The country's exports jumped by 4.7% to \$22.8-B in December. Meanwhile, imports dropped by -3.1% to \$21.8-B in December. Overall, this resulted in a trade surplus of \$0.9-B, rebounding from its deficit of \$1.0-B a year ago.

Meanwhile, the Bank of Thailand's (BOT) policy rate stayed at 2.50% after its February meeting. The yield curve's steepness measure increased by 3.0 bps to 37.0 bps in January.

Table 8 - Spreads Between 10-year and 2-year T-Bonds

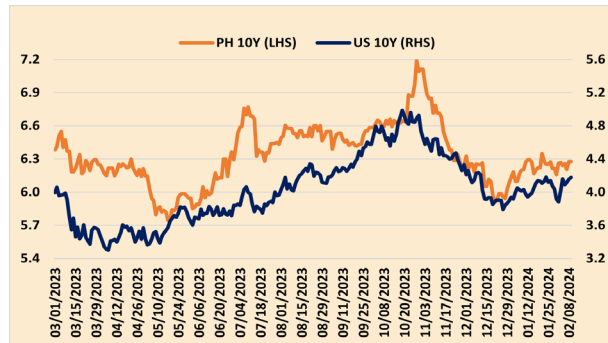
Spreads between 10-year and 2-year T-Bonds									
Country	2-year Yields	10-year Yields	Projected Inflation Rates	Real 10-Year Yield	10-Year and 2-Year Spread (bps)		Spread Change (bps)	Latest Policy Rate	Real Policy Rate
					Dec-23	Jan-24			
U.S.	4.27	3.99	2.4	1.59	(35)	(28)	7	5.50	3.10
PRC	2.16	2.49	2.0	0.49	36	33	(3)	2.50	0.50
Indonesia	6.24	6.58	3.0	3.58	17	34	17	6.00	3.00
Malaysia	3.37	3.80	2.7	1.10	34	43	9	3.00	0.30
Thailand	2.28	2.65	2.3	0.35	34	37	3	2.50	0.20
Philippines	5.97	6.17	3.8	2.37	9	20	11	6.50	2.70

Sources: Asian Development Bank (ADB), The Economist & UA&P
 *1-year yields are used for PH because 2-year papers are illiquid

Outlook

The domestic bond market seems to have moved closely with U.S. Treasuries in January unlike in December when it fell more than the latter.

Figure 22 - Philippine 10-Year Government Bond Yield Vs. United States 10-Year Government Bond Yield



Source: Trading Economics

- The Fed may start reducing its policy rates by June 2024 should inflation continue to dive, supported by the downward revision of December s.a. inflation to 0.2%, same as in November, from 0.3% in the earlier estimate. However, as the economy created 353,000 jobs much above market expectations from (upward revised) 333,000 in December. Average hourly wages rose by 6.77% YoY in January, while inflation print of 3.1% YoY for January slightly exceeded expectations. All these combined will prevent Fed from reducing policy rates before June 2024. The 10-year bond yields jumped to 4.22% in end-January but corrected to hover around 4.15% in early February. Thus, despite the strong macro numbers, the U.S. economy appears headed to a “soft landing” pulling in foreign investors.
- Local 10-year T-bond yields had difficulty breaching 6.20% from 6.06% at end-December 2023 since the slide in inflation rate which appears more lasting and has kept a lid on the ceiling. However, while headline inflation averages 3.2% in Q1 this also partly relied on a high base in 2023. Thus, we may still have some upward movements towards 4.0% YoY in Q2. The 10-year yields may not fall below 6.0% unless we see an unlikely inflation print lower than in January.
- NG has returned to a regular borrowing pace in January and will issue new RTBs maturing in 2029 later in February coupled with a bond exchange. BTr will have to accept high rates to pull in its aim of P400.0-B in new money. This would provide more liquidity to the market YoY inflation’s likely transitory rise (assuming rice prices continue to climb) and elevated U.S. interest rates will provide support to the floor mentioned above.
- We see sustained slowdown of inflation over the medium term, due to weak or stable oil and food prices. However, base effects would temporarily push YoY inflation in Q2 to 4.0% from 3.2% in Q1. Thus, we will start seeing this in February inflation which we project at 3.1% from 2.8% in January. BSP has kept its policy rate unchanged in its February 15 meeting and will likely keep it on hold until June 2024 and only after Fed starts its policy rate cuts cycle.
- Firms contemplating bond issuance shall remain on a standby mode for the next two months until yields fall below 6.0%.
- ROPs has some upside since PH economy has shown resilience in terms of employment gains, GDP growth, and inflation deceleration.

EQUITY MARKETS

PSEI STARTS 2024 ON POSITIVE NOTE WITH 3.0% GAIN

Despite a modest rise in bond yields both here and abroad, local equity investors started the year with more optimism and pushed up PSEi higher by 3.0% In January. PSEi had the second-best record among its ASEAN peers, although Nikkei’s outsized 8.4% upswing overshadowed it. To be sure, Malaysia bested PSEi with a 4.3% uptick, but advanced economies—London, South Korea, Hong Kong and Shanghai showed declines. With a more robust macroeconomic outlook, the Financial and Holdings sectors led sectoral growth as they gained by 8.4% and 3.7%, respectively. Metropolitan Bank & Trust Co.’s (MBT) 11.3% jump led the former, while its parent company, GT Capital Holdings, Inc. (GTCAP) took the Holding sector’s top honors with its 12.3% surge. Weaker commodity prices brought Mining & Oil sector to the bottom.

Outlook: Having pierced through the major resistance level of 6,700 to reach 6,850 by mid-February, technical analysis suggests the PSEi in overbought situation. Nonetheless, the positive surprises in the macroeconomic spaces and an expected upgrade in MSCI rebalancing on end-February should limit the downside. Still, further gains require robust corporate earnings in Q4-2023 and Q1-2024 amid elevated interest rates. We think PSEi will reach 7,000-7,500 within the year after some correction in Q2. Looking forward, we favor Holdings, Telcos, Services, Property and Consumer sectors amid growing interest among foreign investors.

Table 9 - Global Equities Markets Performances

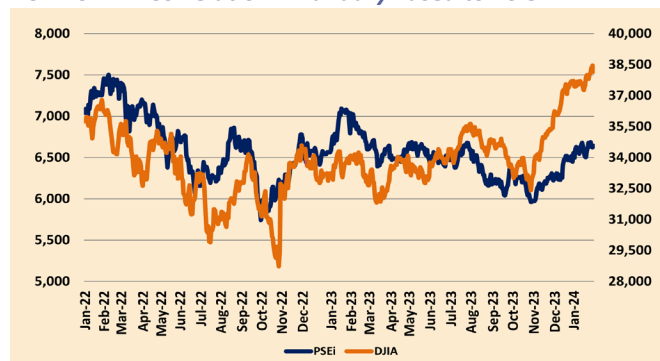
Global Equities Markets Performances				
Region	Country	Index	January M-o-M Change	2024 % Change
Americas	US	DJIA	1.2%	1.2%
Europe	Germany	DAX	0.9%	0.9%
	London	FTSE 101	-1.3%	-1.3%
East Asia	Hong Kong	HSI	-9.2%	-9.2%
	Shanghai	SSEC	-6.3%	-6.3%
Asia-Pacific	Japan	NIKKEI	8.4%	8.4%
	South Korea	KOSPI	-6.0%	-6.0%
	Australia	S&P/ASX 200	1.2%	1.2%
Southeast Asia	Indonesia	JCI	-0.9%	-0.9%
	Malaysia	KLSE	4.3%	4.3%
	Thailand	SET	-3.6%	-3.6%
	Philippines	PSEi	3.0%	3.0%

Sources: Bloomberg and Yahoo Finance

Global Picture. 2024 started with half of our tracked global equities markets landing on the green, while the rest performed negatively in January. Japan’s NIKKEI registered the highest gain as it ended the month with an 8.4% month-on-month (MoM) increment, handily reversing its -0.1% MoM loss a month ago. Malaysia’s KLSE followed suit with a 4.3% MoM gain in January, a turnaround from its -0.1% decline in the previous month. Meanwhile, Hong Kong’s HSI posted the steepest decline in January with a -9.2% MoM loss, followed by Shanghai’s SSEC which edged down by -6.3% MoM. On the other hand, Philippines’ PSEi recorded a 3.0% MoM uptick to end January at 6,646.44.

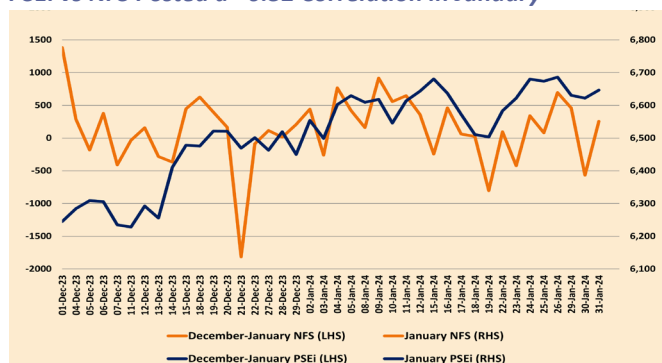
PSEi and DJIA. The Dow Jones Industrial Average (DJIA) closed a volatile month of trading. DJIA ended January at 38,150.30. Meanwhile, PSEi finished the month at 6,646.44 from the previous month’s close of 6,450.04. The correlation between the two indices in January went down to +0.32 from +0.87 in the previous month, as DJIA had a steeper climb.

Figure 23 - PSEi vs DJIA
PSEi vs DJIA Correlation in January Eased to +0.32



Sources: Wall Street Journal, Bloomberg

Figure 24 - PSEi vs Net Foreign Selling
PSEi vs NFS Posted a +0.32 Correlation in January



Sources: Bloomberg & Yahoo Finance

Table 10 - Monthly Turnover (in Million Php)

Monthly Turnover (in Million Pesos)				
Sector	Total Turnover		Average Daily Turnover	
	Value	% Change	Value	% Change
Financial	23,225.42	53.4%	1,055.70	25.5%
Industrial	26,846.45	9.7%	1,220.29	-10.2%
Holdings	30,539.45	90.6%	1,388.16	55.9%
Property	25,228.92	62.5%	1,146.77	33.0%
Services	21,181.21	33.7%	962.78	9.4%
Mining & Oil	1,400.48	-22.8%	63.66	-36.9%
Total	128,421.95	44.6%	5,837.36	18.3%
Foreign Buying	66,687.18	52.1%	3,031.24	24.4%
Foreign Selling	62,226.59	45.2%	2,828.48	18.8%
Net Buying (Selling)	4,460.59	343.8%	202.75	263.1%

Source of Basic Data: PSE Quotation Reports

Table 11 - Top Foreign Buy in January (in Million Php)

Top Foreign Buy	
Company	Total Value
BDO PM Equity	2,337.67
SM PM Equity	1,176.48
GTAP PM Equity	1,068.09
MBT PM Equity	1,043.36
ALI PM Equity	1,034.15
Total Buy Value	6,659.74

Sources of Basic Data: Bloomberg, First Metro Investment Corporation (FMIC)

Net Foreign Buying/Selling. In terms of trading volume, five sectors landed on the green in January, with the Holdings sector leading the gainers as its total turnover surged by 90.6% in January. The Property sector came next with a +62.5% increase in trading volume. Meanwhile, the Mining & Oil sector ended up as the sole decliner in January with its trading volume falling by -22.8%.

Foreign investors remained net buyers in January at P4.4-B from a modest net buying of P1.0-B a month ago.

The top five favorite stocks (net buying) of foreign investors amounted to P6.6-B with BDO Unibank, Inc. (BDO, P2.3-B) and SM Investments Corporation (SM, P1.1-B) leading the pack.

The top five disfavored stocks (net selling) in January amounted to P3.5-B with Universal Robina Corporation (URC, P1.5-B) and Philippine Seven Corporation (SEVN, P633.5-M) in the front rows.

Thus, we can readily see that Top 5 Net buying amount easily exceeded the Top 5 Net Selling by foreign investors.

Table 12 - Top Foreign Sell in January (in Million Php)

Top Foreign Sell	
Company	Total Value
URC PM Equity	-1,494.57
SEVN PM Equity	-633.52
JGS PM Equity	-506.32
AREIT PM Equity	-500.80
ICT PM Equity	-405.22
Total Sell Value	-3,540.41

Sources of Basic Data: Bloomberg, First Metro Investment Corporation (FMIC)

Table 13 - Monthly Sectoral Performance

Monthly Sectoral Performance					
Sector	29-December-2023		31-January-2024		2024 YTD
	Index	% Change	Index	% Change	
PSEi	6,450.04	3.6%	6,646.44	3.0%	3.0%
Financial	1,738.88	-0.2%	1,885.75	8.4%	8.4%
Industrial	9,075.91	4.5%	8,919.98	-1.7%	-1.7%
Holdings	6,106.00	3.3%	6,329.07	3.7%	3.7%
Property	2,854.94	4.8%	2,921.49	2.3%	2.3%
Services	1,604.99	5.9%	1,618.29	0.8%	0.8%
Mining & Oil	10,000.43	3.4%	9,247.39	-7.5%	-7.5%

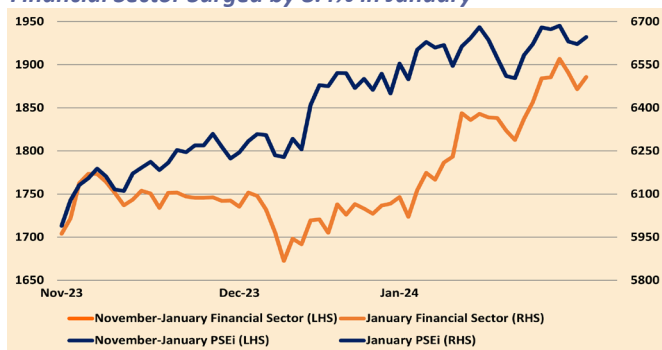
Source of Basic Data: PSE Quotation Reports

Table 14 - Financial Sector Constituent Stocks

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
Metropolitan Bank and Trust Company	MBT	51.30	57.10	11.3%	11.3%
BDO Unibank, Inc.	BDO	130.50	145.00	11.1%	11.1%
Bank of the Philippine Islands	BPI	103.80	110.60	6.6%	6.6%

Source of Basic Data: PSE Quotation Reports

Figure 25 - Financial Sector Index (November 2023 - January 2024)
Financial Sector Surged by 8.4% in January



Source of Basic Data: PSE Quotation Reports

Four sectors of PSEi ended the month with positive performances while two sectors landed on the red. This resulted to a +3.0% MoM gain by PSEi in January. The Financial sector grew the most by +8.4% MoM in January after a minor -0.2% contraction in the previous month. The Holdings sector followed suit with a +3.7% MoM uptick. Meanwhile, the Mining & Oil sector emerged as the worst performer for the month with a -7.5% MoM loss.

The Financial sector took pole position in the sectoral race as it ended January with an +8.4% MoM growth, leaving no trace of its -0.2% loss a month ago.

Metropolitan Bank & Trust Company's (MBT) share prices gained the most in the sector with an +11.3% MoM increase in January, piling on top of its +2.7% gain in the previous month. MBT anticipates robust loan demand to boost its net income this year, fueled by the company's optimistic outlook of faster economic growth and interest rate cuts by the BSP.

BDO Unibank, Inc. (BDO) share prices came close as it ended the month with an +11.1% MoM uptick, a complete reversal from its -2.2% loss in December. BDO recently secured P63.3-B in its second ASEAN Sustainability Bond offering, exceeding the P52.7-B raised in its first ASEAN Sustainability Bond issue last January 2022. The huge issue drew strong interest from both retail and institutional investors. Additionally, the said Sustainability bond has a coupon rate of 6.025% with a tenor of 1.5 years.

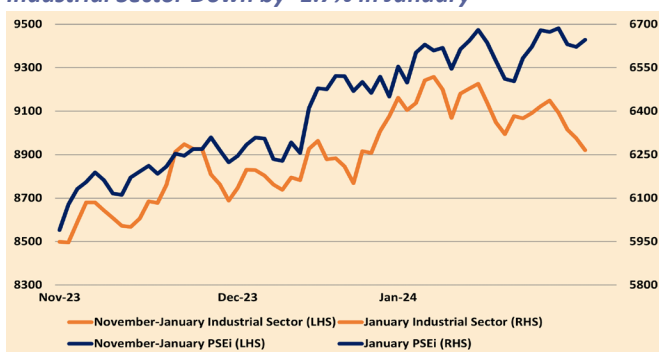
Bank of the Philippine Islands (BPI) share prices experienced a +6.6% MoM upswing in January, following its +0.5% uptick a month earlier. BPI disclosed a +44.3% YoY surge in Q4-2023 earnings to P13.1-B from P9.1-B a year earlier. Higher revenues and lower loan loss provisions propelled the net income growth.

Table 15 - Industrial Sector Constituent Stocks

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
Meralco	MER	399.00	362.00	-9.3%	-9.3%
Jollibee Foods Corporation	JFC	251.40	254.00	1.0%	1.0%
Universal Robina Corporation	URC	118.20	111.50	-5.7%	-5.7%
AC Energy Corporation	ACEN	4.38	4.25	-3.0%	-3.0%
Emperador Inc.	EMI	20.85	20.55	-1.4%	-1.4%
Monde Nissin Corporation	MONDE	8.38	8.81	5.1%	5.1%
Century Pacific Food, Inc.	CNPF	30.95	32.95	6.5%	6.5%
Semirara Mining and Power Corporation	SCC	30.25	31.00	2.5%	2.5%

Source of Basic Data: PSE Quotation Reports

Figure 26 - Industrial Sector Index (November 2023 - January 2024)
Industrial Sector Down by -1.7% in January



Source of Basic Data: PSE Quotation Reports

Due to mixed performances, the Industrial sector ranked fifth in the sectoral race with a -1.7% MoM downtick in January, partially offsetting its +4.5% gain in the previous month.

Century Pacific Food, Inc. (CNPF) share prices registered the highest uptick in the sector with +6.5% MoM in January, adding on top of its +1.8% gain a month ago. CNPF recently expanded its use of renewable energy by increasing the capacity of its solar power facility in General Santos City which currently stands at 8.6 megawatts (MW) from 5.2 MW. Additionally, the company also commissioned new biomass boilers for its coconut operations with the aim of reducing coal usage across its factory.

Monde Nissin Corporation (MONDE) share prices followed suit with a +5.1% MoM gain, a rebound from its -0.2% dip in December. In its Q4 guidance, MONDE declared that it anticipates a double-digit growth on its core net income for 2023, boosted by the sustained growth in its Asia-Pacific Branded Food and Beverage (APAC BFB) business. The report also highlighted that MONDE experienced all-time high revenues in Q4-2023 and full-year 2023.

Semirara Mining and Power Corporation (SCC) share prices went up by +2.5% MoM in January, following a +4.5% gain a month earlier. SCC set a new high for its coal sales, reaching a volume of 15.8-M metric tons (MT) in 2023, a +6% uptick from 2022 driven by robust export sales. From the Mining & Oil sector, PSE has reclassified SCC into the Industrial sector based on SCC's revenue sources and business operations.

Meralco (MER) share prices tumbled down by -9.3% MoM in January, nearly erasing its +10.8% rise a month ago. MER recently disclosed that South Premiere Power Corporation (SPPC), a subsidiary of SMC Global Power Holdings Corporation (SMGP) of the San Miguel group, won the auction after bidding the lowest price of P7.0718 per kilowatt-hour (kWh) for MER's 1,200-megawatt (MW) requirement to meet the rising demand for electricity supply.

Table 16 - Holdings Sector Constituent Stocks

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
Ayala Corporation	AC	681.00	679.00	-0.3%	-0.3%
SM Investments Corporation	SM	872.00	900.00	3.2%	3.2%
Aboitiz Equity Ventures	AEV	44.60	48.50	8.7%	8.7%
GT Capital Holdings, Inc.	GTCAP	590.00	665.50	12.8%	12.8%
San Miguel Corporation	SMC	102.10	108.00	5.8%	5.8%
Alliance Global Group, Inc.	AGI	11.28	11.34	0.5%	0.5%
LT Group, Inc.	LTG	8.98	9.50	5.8%	5.8%
JG Summit Holdings, Inc.	JGS	38.15	38.30	0.4%	0.4%
DMCI Holdings, Inc.	DMC	9.77	10.74	9.9%	9.9%

Source of Basic Data: PSE Quotation Reports

The Holdings sector grabbed second place in the sectoral rankings with a +3.7% MoM gain in January, augmenting its +3.3% increase a month ago.

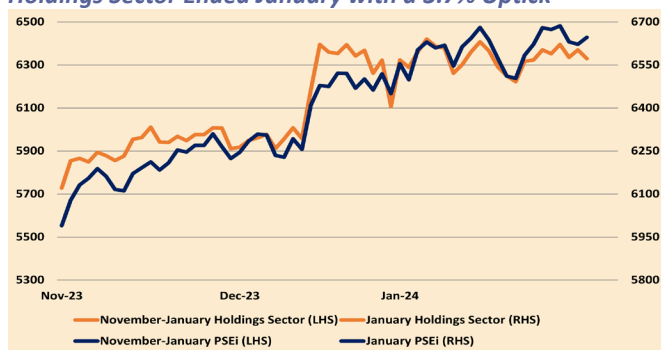
GT Capital Holdings, Inc. (GTCAP) share prices soared by +12.8% MoM in January, further boosting its +8.8% gain last month as investors anticipated strong earnings in subsidiaries MBT and Toyota Motors Philippines. GTCAP currently seeks to diversify its business portfolio outside its five core segments, namely banking, automotive, property development, insurance, and infrastructure. The firm now seeks opportunities in the healthcare and renewable energy sectors as potential areas for expansion.

DMCI Holdings, Inc. (DMC) share prices vaulted by +9.9% MoM in January, piling on top of its +6.2% growth in the previous month. DMC chairman and president Isidro A. Consunji expressed a cautiously optimistic view on how the company will perform in 2024 due to mixed directional factors, such as easing inflation, stabilizing interest rates, China’s economic slowdown, and moderate expansion in the domestic energy market.

Aboitiz Equity Ventures (AEV) share prices also surged by +8.7% MoM in January, a turnaround from its -4.7% loss in December. AEV recently received the approval from the Philippine Competition Commission for the joint acquisition of the Coca-Cola Beverages Philippines Inc. (CCBPI) with Coca-Cola Europacific Partners Plc. (CCEP). Under the terms of the planned acquisition, AEV will get 40% ownership of the CCBPI, while CCEP will take the majority (60%) of the stake.

Ayala Corporation (AC) share prices suffered a minor dip of -0.3% MoM in January, following its +2.6% gain a month earlier. AC recently declared first quarter cash dividends on its outstanding Preferred “A” Shares (ACPAR) and Preferred “B” Series 2 Shares (APB2R) amounting to P39.741875 and P6.02675 per share, respectively.

Figure 27 - Holdings Sector Index (November 2023 - January 2024)
Holdings Sector Ended January with a 3.7% Uptick

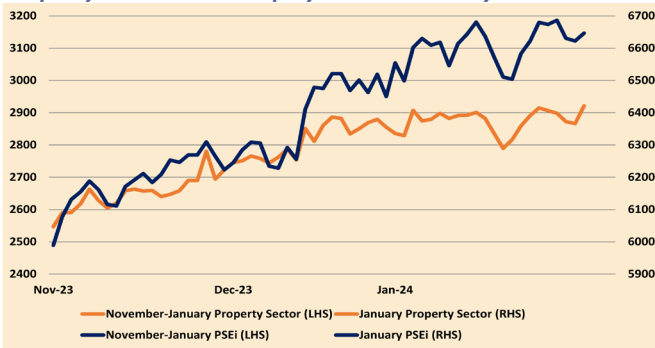


Source of Basic Data: PSE Quotation Reports

Table 17 - Property Sector Constituent Stocks

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
Ayala Land, Inc.	ALI	34.45	34.10	-1.0%	-1.0%
SM Prime Holdings, Inc.	SMPH	32.90	34.25	4.1%	4.1%

Source of Basic Data: PSE Quotation Reports

**Figure 28 - Property Sector Index (November 2023 - January 2024)
Property Sector Inched Up by 2.3% in January**

Source of Basic Data: PSE Quotation Reports

Table 18 - Services Sector Constituent Stocks

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
PLDT, Inc.	TEL	1,279.00	1,272.00	-0.5%	-0.5%
Globe Telecom	GLO	1,720.00	1,738.00	1.0%	1.0%
Converge ICT Solutions, Inc.	CNVRG	8.38	9.27	10.6%	10.6%
Puregold Price Club Inc.	PGOLD	26.90	27.80	3.3%	3.3%
Wilcon Depot, Inc.	WLCON	20.90	21.90	4.8%	4.8%
International Container Terminal Services, Inc.	ICT	246.80	243.00	-1.5%	-1.5%
Bloomerry Resorts Corporation	BLOOM	9.84	11.18	13.6%	13.6%

Source of Basic Data: PSE Quotation Reports

The Property sector took third place in the sectoral race in January with a +2.3% MoM uptick, continuing from its +4.8% gain a month earlier.

SM Prime Holdings, Inc. (SMPH) share prices jumped by +4.1% MoM in January, augmenting its +1.9% gain in the previous month. SMPH President Mr. Jeffrey C. Lim recently said that the company is planning to allocate up to P100.0-B for its capital expenditures this year. However, he said the firm awaits more favorable market conditions in the market before it moves forward with the initial public offering of its real estate investment trust (REIT).

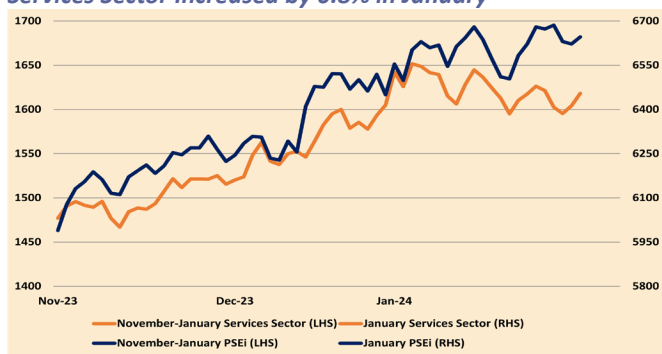
Ayala Land, Inc. (ALI) share prices edged down by -1.0% MoM in January, a likely correction from its +10.4% gain in December. ALI and its subsidiaries, Ayala Land Offices, Inc. and Glensworth Development, Inc., recently raised P5.63-B after its block sale of 181.0-M AREIT shares at a transaction price of P31.10 per share. The block sale came ahead of the property-for-share swap among ALI and its subsidiaries, Greenhaven Property Ventures, Inc., and Cebu Insular Hotel Co., Inc., Buendia Christiana Holdings Corporation and AREIT.

The Services sector took the fourth spot in the sectoral race as it ended January with a +0.8% MoM uptick, adding on its +5.9% gain in December.

Bloomerry Resorts Corporation (BLOOM) share prices rose by +13.6% MoM in January, following a +2.0% increment last month. BLOOM announced the likely completion of its second casino resort in the Philippines-- Solaire Resort North, in Quezon City, by March.

Converge ICT Solutions, Inc. (CNVRG) share prices followed suit as it ended January with a +10.6% MoM upswing, adding into its +2.1% gain in the previous month. CNVRG recently signed a Master Facilities Provisioning Agreement (MFPA) with DITO Telecommunity Corporation that will enable them to jointly utilize select terrestrial and submarine fiber optic cable assets with the hopes of reducing downtime, enhancing throughput, and establishing more reliable connectivity for their customers.

Figure 29 - Services Sector Index (November 2023 - January 2024)
Services Sector Increased by 0.8% in January



Source of Basic Data: PSE Quotation Reports

Wilcon Depot, Inc. (WLCON) share prices also inched up by +4.8% MoM in January, wiping out its -1.2% loss a month earlier. WLCON reported plans to achieve 100 stores by year-end. Recently, WLCON opened a new Do It Wilcon (DIW) store in Valencia City, Bukidnon, making it the 92nd store of the company nationwide.

International Container Terminal Services, Inc. (ICT) share prices experienced a -1.5% MoM dip in January, a mild slice from its +14.4% gain in December. ICT recently obtained a Notice of Award from the Philippine Ports Authority (PPA) for the operation and development of the Iloilo Commercial Port Complex (ICPC) with a total project cost of P10.5-B.

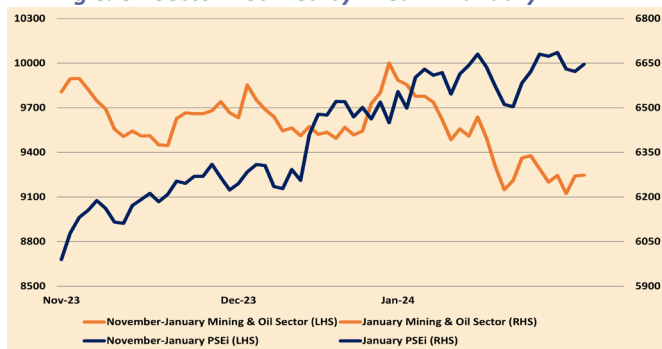
The Mining & Oil sector ended last in the sectoral race as it ended January with a -7.5% MoM loss, reversing its +3.4% gain in December. Nickle Asia Corporation (NIKL) share prices contracted by -11.7% MoM in January, erasing its +8.5% gain a month ago amid weaker nickel prices.

Table 19 - Mining and Oil Sector Constituent Stock

Company	Symbol	12/29/2023 Close	01/31/2024 Close	M-o-M % Change	2024 YTD
Nickle Asia Corporation	NIKL	5.48	4.84	-11.7%	-11.7%

Source of Basic Data: PSE Quotation Reports

Figure 30 - Mining & Oil Sector Index (November 2023 - January 2024)
Mining & Oil Sector Declined by -7.5% in January



Source of Basic Data: PSE Quotation Reports

Recent Economic Indicators

NATIONAL INCOME ACCOUNTS, CONSTANT PRICES (In Million Pesos)

	2021		2022		3rd Quarter 2023			4th Quarter 2023		
	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.	Levels	Q-o-Q G.R.	Y-o-Y G.R.	Levels	Q-o-Q G.R.	Y-o-Y G.R.
Production										
Agri, Hunting, Forestry and Fishing	1,775,209	-0.3%	1,783,499	0.5%	410,328	-1.8%	0.9%	532,424	29.8%	1.4%
Industry Sector	5,551,621	8.5%	5,914,703	6.5%	1,352,303	-13.0%	5.6%	1,754,040	29.7%	3.2%
Service Sector	11,213,252	5.4%	12,245,429	9.2%	3,290,428	1.7%	6.8%	3,599,367	9.4%	7.4%
Expenditure										
Household Final Consumption	13,455,117	4.2%	14,570,218	8.3%	3,685,546	2.8%	5.1%	4,418,974	19.9%	5.3%
Government Final Consumption	2,842,705	7.2%	2,981,663	4.9%	745,065	-11.1%	6.7%	693,660	-6.9%	-1.8%
Capital Formation	4,051,799	20.0%	4,609,287	13.8%	1,058,321	-21.6%	-1.4%	1,318,885	24.6%	11.2%
Exports	5,129,672	8.0%	5,688,704	10.9%	1,571,844	10.6%	2.6%	1,396,886	-11.1%	-2.6%
Imports	6,939,209	12.8%	7,906,240	13.9%	2,028,478	0.3%	-1.1%	1,993,236	-1.7%	2.9%
GDP	18,540,084	5.7%	19,943,630	7.6%	5,053,060	-3.0%	6.0%	5,885,831	16.5%	5.6%
NPI	639,321	-51.6%	1,133,700	77.3%	619,563	25.0%	111.6%	701,427	13.2%	97.7%
GNI	19,179,405	1.7%	21,077,331	9.9%	5,672,623	-0.5%	12.1%	6,587,258	16.1%	11.1%

Source: Philippine Statistics Authority (PSA)

NATIONAL GOVERNMENT CASH OPERATION (In Million Pesos)

	2021		2022		October-2023			November-2023		
	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.	Levels	M-o-M G.R.	Y-o-Y G.R.	Levels	M-o-M G.R.	Y-o-Y G.R.
Revenues										
Tax	2,742,721	9.5%	3,220,315	17.4%	354,738	51.9%	34.6%	286,042	-19.4%	-8.9%
BIR	2,078,145	6.5%	2,335,674	12.4%	274,429	80.3%	46.9%	210,242	-23.4%	-11.3%
BoC	643,563	19.7%	862,420	34.0%	77,926	-1.2%	3.8%	73,687	-5.4%	-2.7%
Others	21,013	33.7%	22,221	5.7%	2,383	-2.0%	43.7%	2,113	-11.3%	90.9%
Non-Tax	262,464	-25.3%	324,082	23.5%	31,070	43.4%	22.3%	54,352	74.9%	220.2%
Expenditures										
Allotment to LGUs	892,698	11.0%	1,103,284	23.6%	75,358	-6.9%	-12.9%	80,236	6.5%	-7.0%
Interest Payments	429,432	12.9%	502,858	17.1%	58,983	-17.4%	77.7%	48,548	-17.7%	86.1%
Overall Surplus (or Deficit)	(1,670,100)	21.8%	(1,614,135)	-3.4%	(34,402)	-86.3%	-65.3%	(93,254)	171.1%	-24.8%

Source: Bureau of the Treasury (BTr)

POWER SALES AND PRODUCTION INDICATORS

Manila Electric Company Sales (In Gigawatt-hours)

	2022		May-2023			June-2023		
	Annual Levels	Growth Rate	Levels	Y-o-Y G.R.	YTD	Levels	Y-o-Y G.R.	YTD
TOTAL	48,270.70	6.0%	4,531.50	7.6%	3.2%	4,581.80	4.0%	3.4%
Residential	17,140.40	1.4%	1,689.40	7.7%	0.5%	1,700.20	5.6%	1.5%
Commercial	17,052.40	14.1%	1,630.70	11.0%	10.6%	1,673.50	8.5%	10.2%
Industrial	13,296.80	3.1%	1,103.20	-1.8%	-4.1%	1,116.70	-6.6%	-4.5%

Source: Meralco

BALANCE OF PAYMENTS (In Million U.S. Dollar)

	2021		2022		2nd Quarter 2023		3rd Quarter 2023	
	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.
I. CURRENT ACCOUNT								
Balance of Trade	-5,943	-151%	-18,116	205%	-4,025	-49.5%	-2,100	-65.1%
Balance of Goods	-52,806	56%	-69,682	32%	-16,281	-15.7%	-16,688	-14.4%
Exports of Goods	54,228	12%	57,726	6%	13,814	-0.5%	14,537	-0.7%
Import of Goods	107,034	31%	127,408	19%	30,095	-9.4%	31,225	-8.5%
Balance of Services	14,039	1%	15,879	13%	4,045	36.7%	5,160	18.4%
Exports of Services	33,570	5%	41,127	23%	11,161	21.6%	12,628	15.8%
Import of Services	19,531	9%	25,248	29%	7,116	14.4%	7,467	14.1%
Current Transfers & Others								
II. CAPITAL AND FINANCIAL ACCOUNT								
Capital Account	80	26%	0	-100%	18	-2.6%	19	30.9%
Financial Account	-6,433	-7%	-12,896	100%	-2,578	-15.3%	-2,043	-40.2%
Direct Investments	-9,732	199%	-5,380	-45%	-1,306	-7.5%	-987	-6.9%
Portfolio Investments	10,237	-709%	-1,309	-113%	-55	-68.2%	862	-36.5%
Financial Derivatives	49	-125%	-48	-198%	-72	189.8%	-50	-8.6%
Other Investments	-6,987	295%	-6,158	-12%	-1,145	-20.2%	-1,868	-49.0%
III. NET UNCLASSIFIED ITEMS								
	774	-131%	-2,042	-364%	236	-82.0%	-485	-77.5%
OVERALL BOP POSITION	1,345	-92%	-7,263	-640%	-1,193	-66.8%	-524	-88.9%
Use of Fund Credits								
Short-Term								
Memo Items								
Change in Commercial Banks	1,092	-86%	-3,109	-385%	-51	-96.2%	-534	-79.1%
Net Foreign Assets	952	-88%	-2,839	-398%	82	-106.1%	-540	-78.7%
Basic Balance	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a

Source: Bangko Sentral ng Pilipinas (BSP)

MONEY SUPPLY (In Million Pesos)

	2022		November-2023		December-2023	
	Average Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.	Levels	Y-o-Y G.R.
RESERVE MONEY	3,482,242	5.4%	3,454,485	-1.9%	3,989,322	5.5%
Sources:						
Net Foreign Asset of the BSP	6,423,717	2.0%	6,486,719	3.2%	6,534,357	4.3%
Net Domestic Asset of the BSP	15,668,621	10.2%	17,915,646	9.7%	18,556,506	9.0%
MONEY SUPPLY MEASURES AND COMPONENTS						
Money Supply-1	6,317,731	11.6%	6,587,160	3.5%	6,835,152	3.2%
Money Supply-2	14,884,259	7.8%	16,272,929	7.2%	16,878,647	6.0%
Money Supply-3	15,439,136	6.9%	16,761,966	7.0%	17,365,942	5.9%
MONEY MULTIPLIER (M2/RM)	4.27		4.71		4.23	

Source: Bangko Sentral ng Pilipinas (BSP)

CONTRIBUTORS

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