Isue Date: February 23, 2016 Isue Date: February 23, 2016 Value of the stream of the

Crude oil prices continue to be volatile as news of an output freeze are offset by higher inventory data. With global equity markets still unable to decouple from oil, we expect volatility to remain heightened.

Fortunately, we note that ASEAN indices did not follow the sharp corrections of their developed market counterparts which fell on negative news surrounding European banks. In fact, as developed markets broke their January lows, ASEAN stock markets, including the Philippines, have since recovered.

On the domestic front, OFW remittances in December were up 4.9%, significantly above forecasts and showing no sign that our workers are being sent home from the Middle East. If future data continues to show that remittances continue to grow despite low oil prices, then we expect it to further boost sentiment for Philippine stocks.



TRADING STRATEGY



Weakness in developed markets has failed to dampen improving sentiment in ASEAN, including the Philippines. We have bought on dips and will use any pullback from resistance as an opportunity to accumulate.

2004-A, East Tower, Philippines Stock Exchange Bldg., Ortigas Center, Pasig City, 1605
(+632) 689.80.80 (+632) 706.07.95 (a) sales@philequity.net (b) www.philequity.net

Disclaimer: The information contained herein is the property of Philequity Management Inc. and may not be copied or distributed without the prior consent of Philequity Management, Inc. The information and views expressed herein are that of the Investment Committee and analysts and is not warranted to be accurate, complete or timely. Neither Philequity nor its content provider is responsible for any damages and losses arising from any use of this information. Past performance is not a guarantee of future results. Investments in mutual funds are not guaranteed by the Philippine Deposit Insurance Corporation. Investing in mutual funds involves risk and possible losses of principal. Consult a professional before investing. For inquiries, please contact Philequity Management, Inc.