

## Morning Briefing

### Top Stories:

- **2025 Results of PGOLD and BNCOM, Special Report on Rising Prices, and the Weekly Technical Analysis Report (Separate Reports)**
- **Philippine Manufacturing PMI**
- **Recommended Cash Dividend Stocks Portfolio**

### Markets

<u>PSEi</u>	<u>PH10Y</u>	<u>DJIA</u>	<u>S&amp;P500</u>	<u>NASDAQ</u>	<u>US10Y</u>	<u>Gold</u>	<u>Oil</u>
5,999	6.79%	46,505	6,583	21,879	4.345%	4,677	111.54
+0.84%	-0.17	-0.13%	+0.11%	+0.18%	+0.032	-2.26%	+11.41%

### US Markets

US markets were mixed as Iran and Oman are working on a protocol on ships passing through the Strait of Hormuz. With the tech markets' rise, the average discount of the Mag 7 to their latest consensus target prices went down from 19.47% to **19.11%** (connoting a lower market ceiling), while the S&P 500's PER went up from 27.97x to **28.21x** (still connoting a frothy index).

### PSEi

The PSEi rose by 0.84% to 5,999 at 10.09x PER last Wednesday. This was led by index stocks AC (+6.06% to PHP534), BDO (+5.50% to PHP119), and ALI (+5.33% to PHP17). The PSEi gapped up to a level that was hit by profit taking. Asian markets were mixed. Our **PSEi forecast is currently 7,408 at 12.46x PER**. The PSEi has a **23% upside** to our forecast. *This upside is lower than the average 37% discount of our stocks/REITs*

*coverage to their target prices and the **33% upside** of the average 2026F PER of 9.40x of our coverage to the 12.46x PER of our PSEi forecast.*



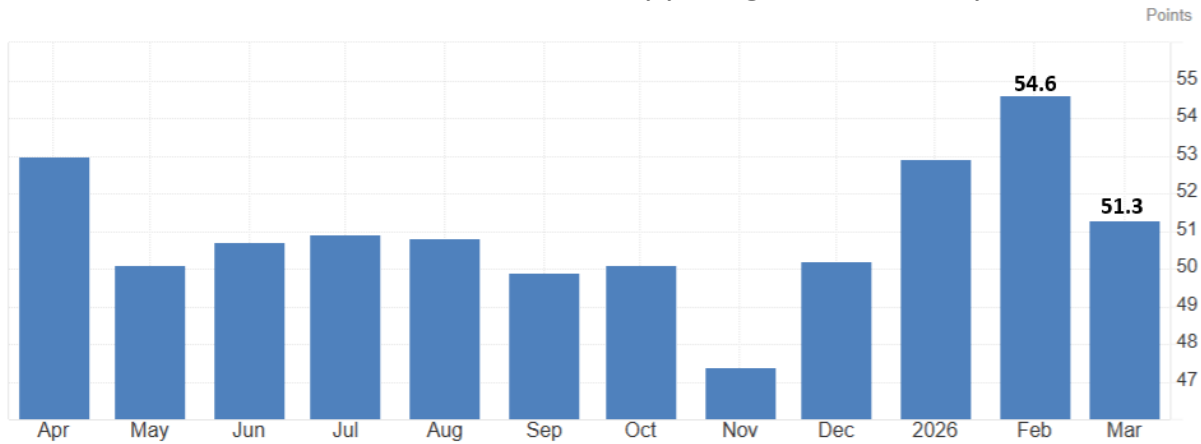
Source: CNBC, Trading Economics, PSE, multpl.com, and Asiasec Equities Research

## Economic News

### Philippines Manufacturing PMI

The S&P Global Philippines Manufacturing PMI **fell to 51.3** in March 2026 from 54.6 in February, marking a three-month low. Softer expansions in output and new orders were attributed largely to the war in the Middle East, which also led to a modest decline in new export sales. As a result, firms broadly paused purchasing activity, while inventories of pre-production items fell modestly for the first time in four months. Input prices surged amid higher energy costs and material shortages, causing operating expenses and factory gate charges to rise sharply.

Employment growth continued for a third consecutive month but at the slowest pace in this sequence, while backlogs of work increased at the fastest rate in four months due to delays in receiving inputs. Despite these challenges, manufacturers' sentiment regarding the 12-month outlook improved to a four-month high, with firms hopeful that easing geopolitical tensions and demand conditions will support growth in the year ahead.



S&P Global

Source: S&P Global and Trading Economics

### Economic Calendar

Day / Time	Previous	Consensus	Forecast
<b>Tuesday April 07 2026</b>			
9:00 AM Inflation Rate YoY MAR		2.40%	2.20%
9:00 AM Core Inflation Rate YoY MAR		2.90%	2.60%
9:00 AM Industrial Production YoY FEB		2.70%	2.30%
9:00 AM Inflation Rate MoM MAR		0.20%	0.60%
4:00 PM Budget Balance FEB		PHP165.4B	
Foreign Exchange Reserves MAR		\$112.7B	\$ 106B
<b>Wednesday April 08 2026</b>			
9:00 AM Unemployment Rate FEB		5.80%	
<b>Friday April 10 2026</b>			
9:00 AM Foreign Direct Investment JAN		\$0.6B	
4:00 PM Business Confidence Q1		29.7	28

Source: [Trading Economics](#)

### H1-2026 Market Events Timeline and Outlook

January	February	March	April	May
US Fed retains rates at 3.5-3.75%	'25 Earngs Season BSP 0.25% Rate Cut to 4.25%	'25 Earngs Season US Fed retains rates at 3.5-3.75%	25 Earngs Season US Fed Policy Mtg Apr 28-29, rate cut 12-18% probability	Q1 Earngs Season US Fed Policy Mtg May 12-13, rate cut 20-28% probability
PH Q4-2025 GDP 3% from 3.9% in Q3; 4.4% in 2025 from 5.6% in 2024		BSP maintains Rate at 4.25%	BSP Policy Mtg Apr 22-23, rate cut 0-5% probability	

Source: Asiasec Equities Research

### Recommended Cash Dividend Stocks Portfolio

With headwinds hitting the markets, we believe this gives an **opportunity to create a solid cash dividend stocks portfolio** for the long term. As prices fall, yields of stable cash-dividend paying companies increase. Below is our portfolio recommendation:



Stocks	Share Price (PHP/share)	2026F Div / Share (PHP)	Dividend Yield
LTG	14.50	1.45	10.0%
TEL	1,280.00	104.35	8.2%
MBT	63.00	5.00	7.9%
FB	52.00	3.79	7.3%
URC	64.10	4.12	6.4%
BNCOM	9.25	0.56	6.0%

Source: PSE and Asiasec Equities Research

Notes:

1. With equal weighting, the average cash dividend yield from this portfolio is currently **7.6% per annum**.
2. This **beats inflation** of 2.6% this year from the IMF and 2-4% from the government.
3. This also beats the yield of the PH10YTN rate of 6.79%. We believe this proves that **stocks are still better than bonds**.
4. The yield from this portfolio from an investment of PHP5M notably **covers** the annual food (PHP20k minimum) and utilities (PHP5k minimum) **expenses of a typical Filipino family** (Source: NEDA and Numbeo).
5. The companies' businesses are deemed stable and **have a suitable degree of resistance from the US tariffs** with LTG mainly tobacco and banking, TEL with telecommunications and digibanking, MBT and BNCOM with banking, FB with beer and food, and URC with food and beverages.
6. Banking may encounter additional NPLs as an effect of the US tariffs from affected clientele from manufacturing. The industrial sector (including manufacturing, utilities, and construction) comprise 20-30% of banks' total loans.



## Other Economic, Sector, and Corporate News

### **Cosco Capital profit rises 3.4% on grocery, liquor growth**

Cosco Capital, Inc. said its net income rose by 3.4% to PHP15.96B in 2025 from PHP15.4B a year earlier, driven by its grocery and liquor segments.

Source: [Businessworld](#)

### **SM Prime plans PHP6B redevelopment of Harrison Plaza**

The project is part of the company's PHP150B mall investment program for 2026 to 2030, which includes the redevelopment of 16 existing malls and the construction of 12 to 15 new lifestyle centers.

Source: [Businessworld](#)

### **Megawide targets May start for Cavite BRT**

Megawide Construction Corp. is targeting to start partial operations of its PHP1.87B Cavite Bus Rapid Transit (BRT) project by May.

Source: [Businessworld](#)

### **Alsons nets PHP2.4B in 2025**

The company reported a four-percent dip in net income to PHP2.4B in 2025 from PHP2.5B in 2024 due to an impairment loss from its fossil fuel power assets.

Source: [Philstar](#)

### **PhilWeb enters game content distribution**

Under the initiative, PhilWeb said it is establishing relationships with global gaming content providers, while simultaneously building a content aggregation layer that enables licensed operators to access a broad portfolio of compliant gaming content through a unified platform interface.

Source: [Philstar](#)

**FDC allots PHP27.6B for 2026 capex**

FDC's capital expenditures budget for the year is 11% higher than the previous year's PHP24.8B.

Source: [Philstar](#)

**Semirara confident it can meet requirements for contract extension**

SEMIRARA MINING and Power Corp. (SMPC) said it is confident it can submit a mining plan that meets Department of Energy (DoE) requirements to extend its coal operating contract on Semirara Island.

Source: [Businessworld](#)

**Converge reviews plan to create separate fiber unit**

CONVERGE ICT Solutions, Inc. said its plan to carve out fiber assets into a new unit remains under review as the company continues to monitor industry developments.

Source: [Businessworld](#)

**Globe joins regional consortium to expand digital backbone**

GLOBE TELECOM, INC. has joined the Candle Cable System consortium to strengthen the Philippines' digital backbone by connecting the country to submarine cable links across Asia.

Source: [Businessworld](#)

**Wilcon pushes expansion as inflation threatens home spending**

The Philippines' largest home improvement retailer said the company plans to deploy PHP2.59B this year to push its store count to 112 by the end of 2026.

Source: [ManilaBulletin](#)

### **Maya pushes ahead with IPO as Iran conflict threatens timeline**

Maya Innovations Holdings Pte. Ltd., the fintech arm of telecommunications giant PLDT Inc., is maintaining its ambition to pursue a USD1B initial public offering as early as this year, even as escalating geopolitical tensions in the Middle East threaten to disrupt global capital markets.

Source: [ManilaBulletin](#)

### **Aboitiz unit completes airside upgrades at Laguindingan airport**

Aboitiz InfraCapital Inc. (AIC) said over the weekend it finished a series of upgrades to the airside facilities at Laguindingan International Airport (LIA) to improve safety and operational reliability, the company said Sunday.

Source: [ManilaStandard](#)

### **DMCI Mining eyes record 3.2 million tons of nickel ore in 2026**

DMCI Mining expects to ship a record 3.2 million tons of nickel ore in 2026, with the start of its Palawan operations and robust demand from Indonesia.

Source: [ManilaStandard](#)

### **First Gen defends contracts, cites profitable operations**

First Gen Corp. said over the weekend that it enters into contracts only after conducting “transparent and rigorous evaluations, and only upon thorough review and approval by its board.”

Source: [ManilaStandard](#)

## **Commodities**

### **Energy Commodities**

- **European Natural Gas:** Led energy price surges, experiencing massive increases in March.



- **Coal:** Remained in high demand, trading above \$140 per ton and on track for a over 20% gain in March, representing a 17-month high.
- **Gasoline Futures:** Showed high daily volatility, with instances of surging over 6% in single sessions following news on Middle East developments. March saw a monthly surge of roughly 30%.
- **Brent Crude Oil:** Continued to be highly volatile due to shipping disruptions, with frequent daily fluctuations often moving more than 2%.

### Metals

- **Copper:** Experienced significant volatility, with reports of price jumps (e.g., 5% to \$6.6 per pound) due to supply concerns and infrastructural investment.
- **Nickel:** Rebounded from monthly lows to trade around \$17,300 per tonne, frequently swinging based on news of Indonesian export taxes and Middle East de-escalation efforts.
- **Aluminum:** Saw strong gains (e.g., over 5% in daily trading) on expectations of growth and supply constraints.
- **Precious Metals:** Generally saw lower volatility than energy, but precious metals as a sector showed fluctuations.

### Agricultural & Industrial Commodities

- **Vegetable Oil:** Surged by 5.1% to a high since June 2022, driven by palm, soy, sunflower, and rapeseed oils.
- **Sugar:** Soared 7.2% in March, heavily influenced by rising crude oil prices and demand for ethanol production.
- **Wheat & Grains:** Experienced notable daily gains, with May CBOT wheat, Kansas City wheat, and corn showing strong closing increases on March 31, 2026.
- **Fertilizers:** Recorded substantial increases, with indices climbing over 26% during the month.
- **Niche Materials:** Prices for tungsten, sulfur, and helium climbed sharply in March 2026, driven by supply risks.

Source: [Trading Economics](#)

## Dividends Calendar

Company Name	Type of Security	Type of Dividend	Dividend Rate	Ex-Dividend Date	Record Date	Payment Date
Metro Retail Stores Group, Inc.	COMMON	Cash	Php0.06	7-Apr-26	8-Apr-26	6-May-26
GT Capital Holdings, Inc.	COMMON	Cash	Php4.08	7-Apr-26	8-Apr-26	22-Apr-26
GT Capital Holdings, Inc.	COMMON	Cash	Php3.00	7-Apr-26	8-Apr-26	22-Apr-26
Universal Robina Corporation	COMMON	Cash	P2.10	8-Apr-26	10-Apr-26	7-May-26
Max's Group, Inc.	COMMON	Cash	Php0.12250	8-Apr-26	10-Apr-26	6-May-26
D.M. Wenceslao & Associates, Incorporated	COMMON	Cash	Php0.10	8-Apr-26	10-Apr-26	28-Apr-26
Concrete Aggregates Corporation	COMMON	Cash	Php1.7746	8-Apr-26	10-Apr-26	27-Apr-26
F & J Prince Holdings Corporation	COMMON	Cash	0.1	8-Apr-26	10-Apr-26	24-Apr-26
Shell Pilipinas Corporation	COMMON	Cash	Php 0.30	10-Apr-26	13-Apr-26	5-May-26
Concepcion Industrial Corporation	COMMON	Cash	Php 1.00	13-Apr-26	14-Apr-26	22-Apr-26
Synergy Grid & Development Phils., Inc.	COMMON	Cash	0.3474	14-Apr-26	15-Apr-26	4-May-26
Vitarich Corporation	COMMON	Cash	Php0.04911054237	14-Apr-26	15-Apr-26	30-Apr-26
Apex Mining Co., Inc.	COMMON	Cash	Php 0.36918	14-Apr-26	15-Apr-26	27-Apr-26
Apex Mining Co., Inc.	COMMON	Cash	Php 0.24612	14-Apr-26	15-Apr-26	27-Apr-26
Rizal Commercial Banking Corporation	COMMON	Cash	0.81 per share	15-Apr-26	16-Apr-26	28-Apr-26
Benguet Corporation	BCP	Cash	Php0.28 per share	15-Apr-26	16-Apr-26	13-May-26
Benguet Corporation	COMMON	Cash	Php0.15 per share	15-Apr-26	16-Apr-26	13-May-26
Wilcon Depot, Inc.	COMMON	Cash	PhP0.14	16-Apr-26	17-Apr-26	12-May-26
Wilcon Depot, Inc.	COMMON	Cash	PhP0.26	16-Apr-26	17-Apr-26	12-May-26
GMA Network, Inc.	COMMON	Cash	PhP 0.40	17-Apr-26	20-Apr-26	15-May-26
Citicore Energy REIT Corp.	COMMON	Cash	PhP0.056	23-Apr-26	24-Apr-26	21-May-26
Monde Nissin Corporation	COMMON	Cash	Php 0.24/share	23-Apr-26	24-Apr-26	21-May-26
Century Properties Group, Inc.	CPGPB	Cash	PHP 1.8858 per share	24-Apr-26	27-Apr-26	22-May-26
In Coverage						

Source: PSE Edge

### Asiasec Equities Stocks Table

Stocks	Share Price (PHP/share)	Target Price (PHP/share)	Discount/ (Premium)	2026F PER (x)	2026F PBV (x)	2026F Div / Share (PHP)	Dividend Yield	Reco
AC	534.00	928.71	42.5%	6.77	0.43	9.24	1.7%	BUY
ACEN	2.96	2.87	-3.0%	13.36	0.93	0.02	0.7%	TRDG SELL
AEV	30.00	57.05	47.4%	7.25	0.50	1.59	5.3%	BUY
ALI	17.00	43.63	61.0%	5.92	0.58	0.66	3.9%	BUY
AP	45.50	53.79	15.4%	10.05	1.64	2.31	5.1%	BUY
APX	15.80	21.67	27.1%	10.92	3.02	0.62	3.9%	BUY
BLOOM	2.08	5.78	64.0%	44.54	0.38	-	0.0%	LT BUY
CEB	30.50	60.12	49.3%	2.81	0.70	-	0.0%	LT BUY
CNPF	33.50	40.37	17.0%	14.05	3.19	1.20	3.6%	BUY
CNVRG	12.16	27.44	55.7%	6.44	1.44	0.45	3.7%	STRONG BUY
DMC	9.83	14.21	30.8%	7.66	0.83	0.96	9.8%	SELL
FB	52.00	134.09	61.2%	9.55	1.62	3.79	7.3%	BUY
GLO	1,615.00	1,978.23	18.4%	10.31	1.41	100.00	6.2%	BUY
GTCAP	524.00	1,133.99	53.8%	2.61	0.30	9.70	1.9%	BUY
ICT	695.00	636.43	-9.2%	21.63	6.69	16.82	2.4%	TRDG SELL
JFC	178.30	283.74	37.2%	16.93	7.09	3.60	2.0%	LT BUY
JGS	28.05	40.63	31.0%	6.58	0.40	0.42	1.5%	LT BUY
KEEPR	2.10	3.80	44.7%	7.66	1.42	0.13	6.0%	BUY
LTG	14.50	30.31	52.2%	4.76	0.46	1.45	10.0%	BUY
MER	604.00	630.89	4.3%	13.67	3.74	27.03	4.5%	BUY
MONDE	6.42	9.13	29.6%	12.07	1.96	0.31	4.8%	LT BUY
MWIDE	2.85	5.75	50.5%	3.42	0.25	-	0.0%	BUY
MYNLD	20.60	21.06	2.2%	10.01	1.16	1.14	5.5%	BUY
NIKL	4.53	6.14	26.2%	7.32	1.03	0.22	4.9%	BUY
PGOLD	41.00	64.14	36.1%	9.79	1.32	1.94	4.7%	BUY
PLUS	15.60	18.67	16.4%	14.07	1.86	0.67	4.3%	LT BUY
PX	9.00	26.41	65.9%	34.72	1.50	0.02	0.3%	LT BUY
RLC	17.08	33.82	49.5%	5.44	0.44	4.10%	0.2%	BUY
SCC	28.95	37.68	23.2%	8.59	2.36	2.86	9.9%	SELL
SM	633.00	1,490.47	57.5%	7.76	0.72	11.32	1.8%	BUY
SMPH	20.20	42.07	52.0%	10.77	1.12	0.45	2.2%	BUY
TEL	1,280.00	2,073.48	38.3%	6.76	3.19	104.35	8.2%	BUY
URC	64.10	106.82	40.0%	9.48	1.30	4.12	6.4%	BUY
WLCON	6.35	15.89	60.0%	12.93	1.03	0.30	4.7%	LT BUY
<b>Averages</b>			<b>36.7%</b>	<b>11.08</b>	<b>1.65</b>		<b>4.04%</b>	

Source: Asiasec Equities Research



### Asiasec Equities Banks Table

Banks	Share Price (PHP/share)	Target Price (PHP/share)	Discount/ (Premium)	ttm/2026F PER (x)	9M/2026F PBV (x)	Dividend per Share (PHP)	Dividend Yield	Reco
AUB	42.60	85.77	50.3%	4.55	0.95	2.00	4.7%	BUY
BDO	119.00	173.41	31.4%	5.89	0.88	4.60	3.9%	BUY
BNCOM	9.25	31.73	70.8%	3.28	0.36	0.56	6.0%	BUY
BPI	101.60	162.02	37.3%	7.09	1.02	5.14	5.1%	BUY
CBC	62.00	102.19	39.3%	5.88	0.82	2.50	4.0%	BUY
EW	13.00	29.16	55.4%	3.34	0.36	0.68	5.2%	BUY
MBT	63.00	88.51	28.8%	5.11	0.61	5.00	7.9%	BUY
PBB	7.13	19.48	63.4%	3.47	0.31	0.45	6.3%	SPEC BUY
PNB	57.65	134.56	57.2%	3.39	0.35	3.44	6.0%	BUY
PSB	56.30	93.94	40.1%	5.19	0.55	3.00	5.3%	BUY
RCB	24.00	46.75	48.7%	5.97	0.38	0.70	2.9%	BUY
SECB	65.80	168.80	61.0%	3.70	0.31	3.01	4.6%	BUY
UBP	24.20	25.39	4.7%	8.61	0.45	1.00	4.1%	BUY
<b>Averages</b>			<b>45.3%</b>	<b>5.04</b>	<b>0.57</b>		<b>5.1%</b>	

### Asiasec Equities REITs Table

REITs	Share Price (PHP/share)	NAV (PHP/share)	Discount/ (Premium)	Dividend per Share (PHP)	Dividend Yield	Reco	Est Next Div Ex-Date
AREIT	39.00	44.34	12.0%	2.48	6.4%	BUY	26-May-26
CREIT	3.40	3.71	8.2%	0.20	5.9%	BUY	23-Apr-26
DDMPR	1.05	1.43	26.6%	0.09	8.9%	SPEC BUY	06-May-26
FILRT	2.93	4.21	30.4%	0.24	8.3%	LT BUY	19-Jun-26
MREIT	13.76	19.69	30.1%	1.00	7.3%	BUY	22-May-26
PREIT	1.19	1.10	-7.7%	0.09	7.2%	SELL	06-May-26
RCR	6.65	8.14	18.3%	0.46	7.0%	BUY	20-May-26
VREIT	1.37	3.37	59.4%	0.20	14.5%	SPEC BUY	14-May-26
<b>Ave w/o VREIT</b>			<b>16.9%</b>		<b>7.3%</b>		

Source: Asiasec Equities Research

#### Disclaimer

This publication has been prepared from information obtained from sources believed to be reliable. Asiasec Equities, Inc. does not accept any liability for errors or omissions in the information and opinions contained in this report. Also, this report should not be construed as an offer to buy or sell any securities mentioned herein. You can contact us at Tel.# 88453421 to 26, Fax # 88453418

## Special Feature

### The Effects of High Crude Oil Price on Food Prices

#### Food Price Hike Estimates

Scenario	Expected Rise in Overall Food Prices	Timeline	Notes / Affected Items
<b>Base case</b> (Strait of Hormuz closure lasts 1–3 months)	<b>8–15%</b>	April–June 2026	Transport and electricity costs drive most of the increase. Rice, vegetables, pork, chicken, and seafood most affected.
<b>Moderate prolongation</b> (3–6 months)	<b>15–25%</b>	Q2–Q3 2026	Fertilizer shortages begin to bite harder; broader supply-chain disruptions.
<b>Worst case</b> (closure more than 6 months or oil more than USD120–130/bbl sustained)	<b>30–50%+ on key staples</b>	Mid-2026 onward	Rice, pork, chicken, and eggs could rise 50%+ (per Dept. of Agriculture and peasant groups). Overall food inflation could push headline CPI to 6–8%+.

Source: BSP, Department of Economy, Planning, and Development, MUFG, Rappler, ABS-CBN, and Oxford Economics (as of late March 2026); artificial intelligence tool accessed April 3, 2026

#### Fuel Price Spike

The closure of the **Strait of Hormuz**, which was disrupted on February 28, 2026, is pushing global oil prices higher with WTI crude already at USD112/bbl. The Philippines, which imports **95–98% of its crude oil** from the Middle East, is highly vulnerable.



**Philippine fuel and fertilizer supply affected**

The **indirect effects** of higher fuel, transport, electricity, and fertilizer costs are significant and can push food prices upward.

Food prices rise mainly through two channels:

- **Higher fuel & logistics costs** — Diesel powers trucks, fishing boats, farm machinery, and cold-chain transport. These costs get passed on quickly to consumers.
- **Fertilizer price shock** — The Middle East supplies 15–30% of global urea and other fertilizers. Regional producers (India, Thailand) that supply the Philippines are heavily affected, leading to higher input costs for rice, vegetables, poultry, and pork.

The Philippine Amalgamated Supermarkets Association warned that **grocery prices could rise noticeably starting April 2026** due to higher logistics costs. So far, the prices of our selected basket of basic food items below have only increased by an average of 0.7% from the end of February to the end of March 2026.

**Average Commodity Prices National Capital Region**

Food Items	31-Jan-26	28-Feb-26	31-Mar-26	Jan-Feb	Feb-Mar
				MoM Ch	MoM Ch
Rice (PHP per kg)					
Imported					
Regular	40.22	41.31	43.40	2.7%	5.1%
Premium	53.22	57.32	59.00	7.7%	2.9%
Local					
Regular	41.00	41.13	43.61	0.3%	6.0%
Premium	51.50	52.44	55.50	1.8%	5.8%
				Average	3.1%

Continued on the next page



Food Items	31-Jan-26	28-Feb-26	31-Mar-26		Jan-Feb MoM Ch	Feb-Mar MoM Ch
<b>Fish (PHP per kg)</b>						
Milkfish	236.14	232.24	234.85		-1.7%	1.1%
Galunggong (local round scad)	353.43	340.00	244.05		-3.8%	-28.2%
Tlipapia	155.51	153.83	155.12		-1.1%	0.8%
				Average	-2.2%	-8.8%
<b>Fruits and Vegetables (PHP per kg)</b>						
String Beans	140.63	132.05	116.95		-6.1%	-11.4%
Squash	60.55	61.36	74.77		1.3%	21.9%
Eggplant	107.45	72.41	80.00		-32.6%	10.5%
Tomato	79.90	60.05	60.00		-24.8%	-0.1%
Banana lakatan	98.82	99.08	97.90		0.3%	-1.2%
Mango carabao	202.51	195.95	164.72		-3.2%	-15.9%
Papaya	71.91	72.50	75.78		0.8%	4.5%
				Average	-9.2%	1.2%
<b>Spices (PHP per kg) and Others</b>						
Sugar brown	73.48	73.09	73.11		-0.5%	0.0%
Palm Oil 1 liter	90.45	90.40	98.32		-0.1%	8.8%
Coconut Oil 1 liter	159.42	160.10	161.50		0.4%	0.9%
Local Red Onion	157.60	115.36	109.56		-26.8%	-5.0%
Local Garlic	366.67	366.67	394.00		0.0%	7.5%
				Average	-5.4%	2.4%
				Grand Average	-3.9%	0.7%

Source: Department of Agriculture

Notes: MoM, only squash and eggplant prices have reacted significantly in the month of March when the Middle East crisis started and deepened. Prices of local rice and garlic, palm oil, and imported regular rice have likewise increased MoM in March.



Food Items	31-Mar-25	31-Mar-26		YoY Ch
Rice (PHP per kg)				
Imported				
Regular	40.04	43.40		8.4%
Premium	49.09	59.00		20.2%
Local				
Regular	40.18	43.61		8.5%
Premium	52.27	55.50		6.2%
			Average	10.8%
Meats and Egg (PHP)				
Beef Rump (4-4.6 kg)	465.05	484.44		4.2%
Pork Ham (1 kg)	365.23	341.96		-6.4%
Whole Chicken (1-1.2 kg)	201.67	191.76		-4.9%
Chicken Egg White Large	8.70	8.72		0.2%
			Average	-1.7%
Fish (PHP per kg)				
Milkfish	202.45	234.85		16.0%
Galunggong (local round scad)	288.75	244.05		-15.5%
Tlipapia	150.51	155.12		3.1%
			Average	1.2%
Fruits and Vegetables (PHP per kg)				
String Beans	104.19	116.95		12.2%
Squash	51.40	74.77		45.5%
Eggplant	88.94	80.00		-10.1%
Tomato	53.68	60.00		11.8%
Banana lakatan	104.64	97.90		-6.4%
Mango carabao	145.21	164.72		13.4%
Papaya	73.54	75.78		3.0%
			Average	9.9%

Continued on the next page



Food Items	31-Mar-25	31-Mar-26		YoY Ch
Spices (PHP per kg) and Others				
Sugar brown	75.23	73.11		-2.8%
Palm Oil 1 liter	99.65	98.32		-1.3%
Coconut Oil 1 liter	129.33	161.50		24.9%
Local Red Onion	112.70	109.56		-2.8%
Local Garlic	414.29	394.00		-4.9%
			Average	2.6%
			Grand Average	5.3%

Source: Department of Agriculture

Notes: **YoY, average prices have risen 5.3%** with squash, coconut oil, imported premium rice, and milkfish having the biggest price increases YoY. This signals accelerated inflation for March 2026.

**Guide set on food price hike**

Our table on page 1 serves as a guide on estimated food price hikes as the Middle East conflict drags on. Hopefully, the closure of the Strait of Hormuz will last only one to three months in our base case scenario. It is already Month 2, and so far, airlines and nickel miners have been adversely affected due to their high fuel usage. More sectors will feel the brunt of the impact of the Middle East conflict if it stretches to six months or more.

**Disclaimer**

This publication has been prepared from information obtained from sources believed to be reliable. Asiasec Equities, Inc. does not accept any liability for errors or omissions in the information and opinions contained in this report. Also, this report should not be construed as an offer to buy or sell any securities mentioned herein. You can contact us at Tel.# 88453421 to 26, Fax # 88453418

**Bank of Commerce**


(PM: BNCOM)

Sector/Subsector: Financials / Banks

**BUY**

Current Price: PHP9.25

Target Price: PHP31.73

## Strong 2025 Results Fueled by Loans and Earning Assets Growth

Within expectations

Low NPL ratio despite rising loans

BNCOM's 2025 net income jumped by 17% YoY to PHP3.54B, in line with or just almost 5% below our forecast of PHP3.7B. **Net interest income surged by 18% YoY to PHP9.11B** mainly due to a **19% jump in broadbased loans to PHP162.82B**. Despite this, gross and net **NPL remained manageable** at 1.33% and 0.62%, respectively. With the jump in loans, provisions for probable loan losses increased significantly to PHP382.20M in 2025 from PHP139.41M in 2024.

(PHPB)	2024	2025	Change
Net Interest Income	9.11	10.78	18%
Provisions	0.14	0.38	174%
Net Income after Impairment	8.97	10.40	16%
Non-interest Income	1.65	1.83	11%
Operating Expenses	6.67	7.42	11%
Net Income Before Income Tax	3.95	4.81	22%
Provisions for Income Tax	0.93	1.27	36%
Net Income	3.02	3.54	17%

Source: BNCOM

Investing in manpower and IT to boost volumes

**Non interest income also rose by 11% YoY to PHP1.83B** fueled by trading and forex gains, while operating expenses also rose by 11% YoY to PHP7.42B on higher manpower count, business volume, IT utilization, and expenses for the bank's employee retention program.

Bonds payable more than doubled from PHP6.53B in 2024 to PHP17.88B in 2025 mainly due to the issuance of the dual-



Selectively  
increasing  
presence

Trading at huge  
discounts

tranche fixed rate bonds of PHP18B on February 19, 2025. This allowed additional purchases of earning assets which likely propped up interest income from investment securities.

Total deposits were also up 5% YoY to PHP223.31B, while **CAR was strong at 16.48%**.

In 2025, BNCOM opened two branch lite units (BLU) in the traffic-heavy Caticlan airport and NAIA T3. The bank ended 2025 with 142 branches nationwide.

BNCOM is a **growth and dividend play**. It has a 25% three-year compounded annual growth rate (CAGR), and a 6% 2026F cash dividend yield with its ex-date this year expected in June. The bank is notably one of our cash dividend stock picks.

The recent rise of the PH10YTN rate signals higher interest rates, and we believe this is beneficial to BNCOM's yields. The shorter resolution of the Middle East conflict may also prevent potentially higher bad loans and provisions even if the bank's NPL ratio is minimal.

At PHP9.25 per share, BNCOM is trading at a 71% discount to our target price of PHP31.73 based on bank multiples. It is also trading at 3.28x PER, a huge discount to the Financials Index's 6.68x PER. BNCOM is a **BUY**.

#### Disclaimer

This publication has been prepared from information obtained from sources believed to be reliable. Asiasec Equities, Inc. does not accept any liability for errors or omissions in the information and opinions contained in this report. Also, this report should not be construed as an offer to buy or sell any securities mentioned herein. You can contact us at Tel.# 88453421 to 26, Fax # 88453418