



# Vantage *point*

**MARKET OUTLOOK:** BULLISH  
**STRATEGY:** SELECTIVE BUYING ON PROPERTY AND FINANCIAL SECTORS AND POTENTIAL M&A PLAYS

Global markets continue their record-breaking rallies, with the US leading the way. Last week, the S&P recorded the longest streak of consecutive all-time high closes in 20 years by closing at a record for 6 consecutive days. This helped the PSEi hit its highest level in history - an intraday high of 8,406.

Note that the PSEi's record move comes despite daily foreign selling and dollar strength - a testament to the strength of the bull market. It also reflects optimism in the final form of tax reform, despite the underwhelming Senate version.

With no catalysts in the near term, we expect the PSEi to follow the direction of global markets. We will be closely monitoring developments regarding tax reform as well as preparing for the resumption of earnings season at the end of the month.

Philippine Stock Exchange Index (PSEi) – 1 year chart



## TRADING STRATEGY



With global markets hitting all-time highs, dips for Philippine stocks have either been shallow or elusive. We believe in the country's long term growth prospects, so we remain prepared to increase exposure on dips.



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