



# RCBC FY 2024 Analyst Briefing

---

February 25, 2025



# Macroeconomic Outlook

---

**Michael Ricafort**

Chief Economist

# Market forecasts and catalysts for 2025

## Key Market Catalysts:



### Fed uncertainty keeps rates elevated

10-year US Treasury yield at 4.49% with markets pricing in fewer rate cuts in 2025 due to inflation risks from Trump's policies.



### BSP easing to support growth

BSP signals -0.50 rate cuts and a potential RRR cut to 5% aiming to boost liquidity, lending, and economic expansion.



### Peso stabilizes amid softer inflation

USD/PHP at 58.03, off recent highs while inflation remains within BSP's 2%-4% target as lower oil prices ease cost pressures.



### Stock market faces global & local headwinds

PSEi at 6,154.99 (near 14-month lows), pressured by Trump's tariff threats, weak GDP growth and AI-driven market shifts.

## Philippine GDP Growth Estimates (2025-2026)

Multilateral Institutions	2025 Forecast	2026 Forecast
IMF*	6.1% (from 6.2%)	6.3%
ADB	6.2%	
World Bank	6.1%; 5.9% in 2026	6.0%
AMRO*	6.3% (from 6.5%)	
S&P Global Ratings	6.2% (from 6.1%)	
Moody's	6.0%	
Fitch Ratings	6.3%	6.2%
PH Government	6.5%-7.5%; 6.5%-8.0% (2026-2028)	6.0%-8.0% (2026-2028)

As of February 5, 2025

# Market forecasts and catalysts for 2025

## Philippine Economic Outlook

Economic Indicators	2023 Actual	2024 Actual	2025 Forecast
<b>GDP Growth</b>	5.5%	5.6%	6.0%-6.5%
<b>USD/PhP (Year-End)</b>	55.37	57.845	57.50-58.50
<b>USD/PhP (Average)</b>	55.63	57.29	57.75-58.75
<b>Inflation (Average)</b>	6.0%	3.2%	3.0%-3.5%
<b>BSP Policy Rate</b>	6.50%	5.75%	5.00%-5.25%
<b>Fed Funds Rate</b>	5.50%	4.50%	3.75%-4.25%
<b>PSEi</b>	6,450.04	6,528.79	7,000-7,500

## US & Philippine Policy Rate Outlook

Economic Indicators	3-Month Forecast	6-Month Forecast	1-Year Forecast
<b>BSP Policy Rate (now at 5.75%)</b>	5.50%-5.75%	5.25%-5.50%	5.25%-5.50%
<b>Fed Funds Rate (now at 4.50%)</b>	4.25%-4.50%%	4.00%-4.25%	4.00%-4.25%



# FY 2024 Performance

---

**Chrissy P. Alvarez**  
Corporate Planning Head



# Full Year 2024 Key Highlights

## Driving strong core earnings and consumer loans

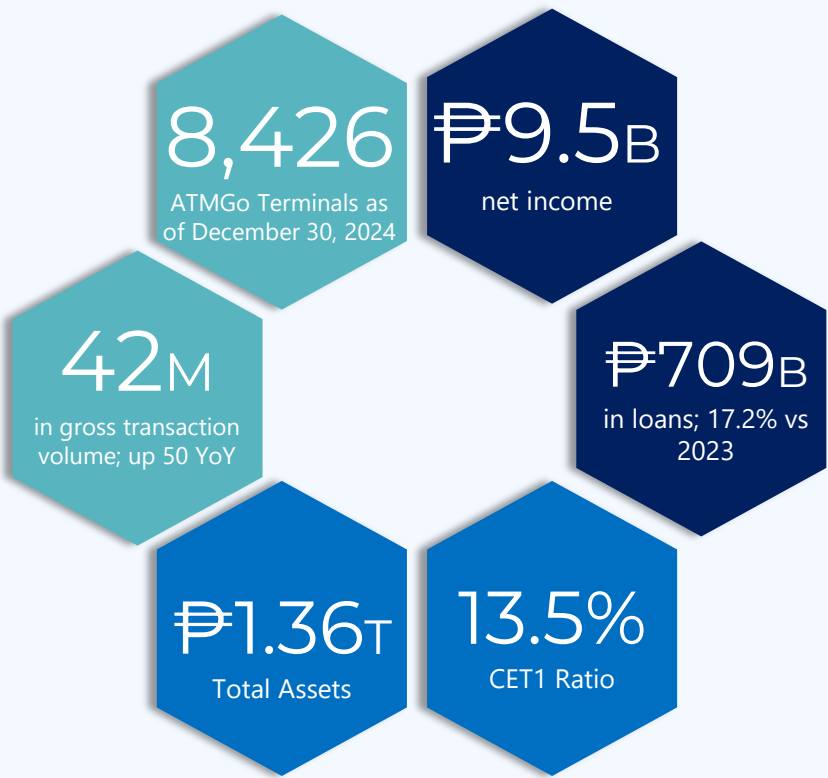
- Sustained revenue growth with gross income up by 6.6% and NIM improving to 3.9%
- Consumer lending momentum with 40% growth, led by credit cards, auto and housing loans
- Robust core earnings with NII surging 26.9% vs last year

## Stronger balance sheet and capital position

- Expanding asset base with total assets reaching ₱1.36T
- CAR and CET1 ratio at 16.1% and 13.5%
- Total capital ₱158B or 4% higher vs. FY2023

## AI & digital for better CX

- Expanded digital reach with customer count reaching 4.7M
- Streamlined processes and enhanced support resulting to frictionless cx
- 46 AI models deployed across the organisation



465   
Branches

9,908   
ATM<sup>1</sup>

6,819   
Employees

<sup>1</sup>Includes ATM Go terminals--RCBC's handheld ATM facility that enables banking transactions outside branches and ATMs, and through partner merchants

# Consolidated Financial Overview

Income Statement	FY24	FY23	Change	YoY
Gross Income	53,408	49,997	3,411	6.8%
Net Interest Income	42,501	33,629	8,872	26.4%
Fee Income	8,485	7,081	1,404	19.8%
Operating Expenses	31,801	29,594	2,207	7.5%
Impairment Losses	8,619	6,888	1,731	25.1%
Net Income	9,518	12,217	(2,699)	(22.1%)

Balance Sheet	FY24	FY23	Change	YoY
Assets	1,360,153	1,238,332	121,821	9.8%
Loans <sup>1</sup>	709,930	605,709	104,221	17.2%
Investment Securities	429,086	330,742	98,344	29.7%
Deposits	1,022,794	956,712	66,082	6.9%
Capital	158,491	152,275	6,216	4.1%

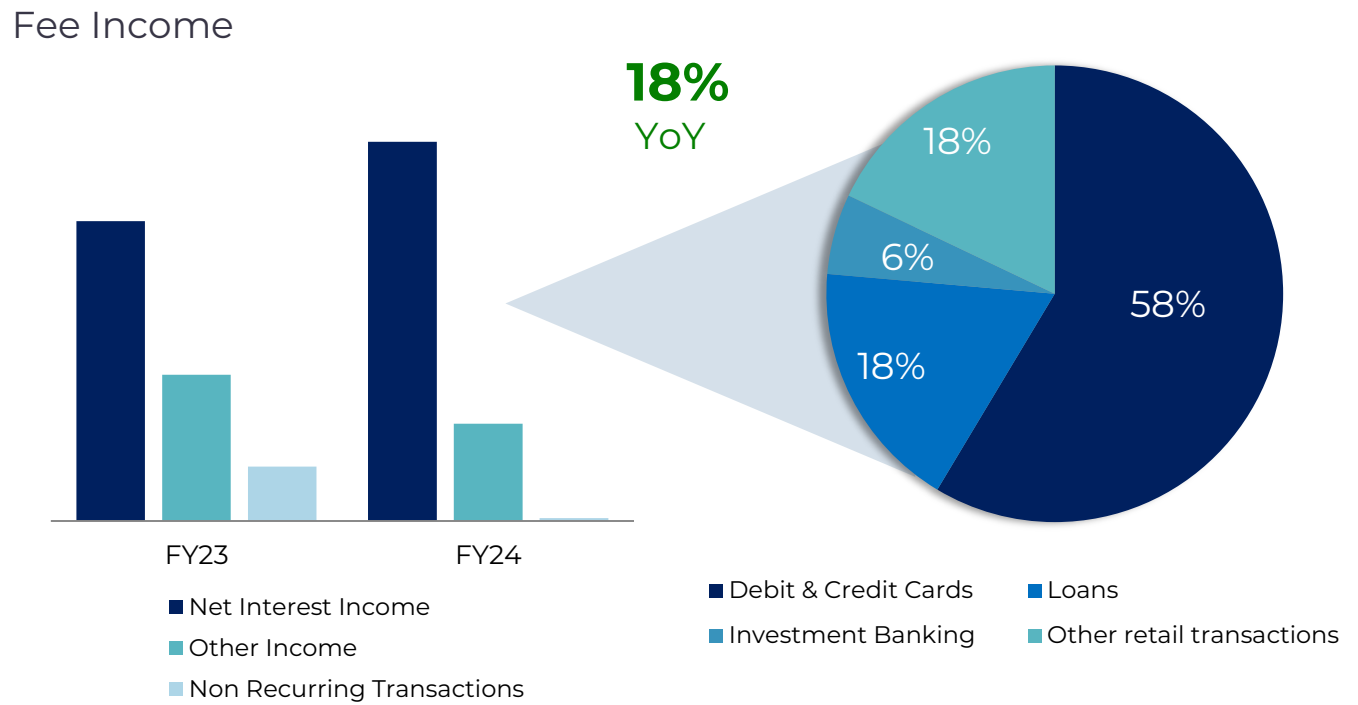
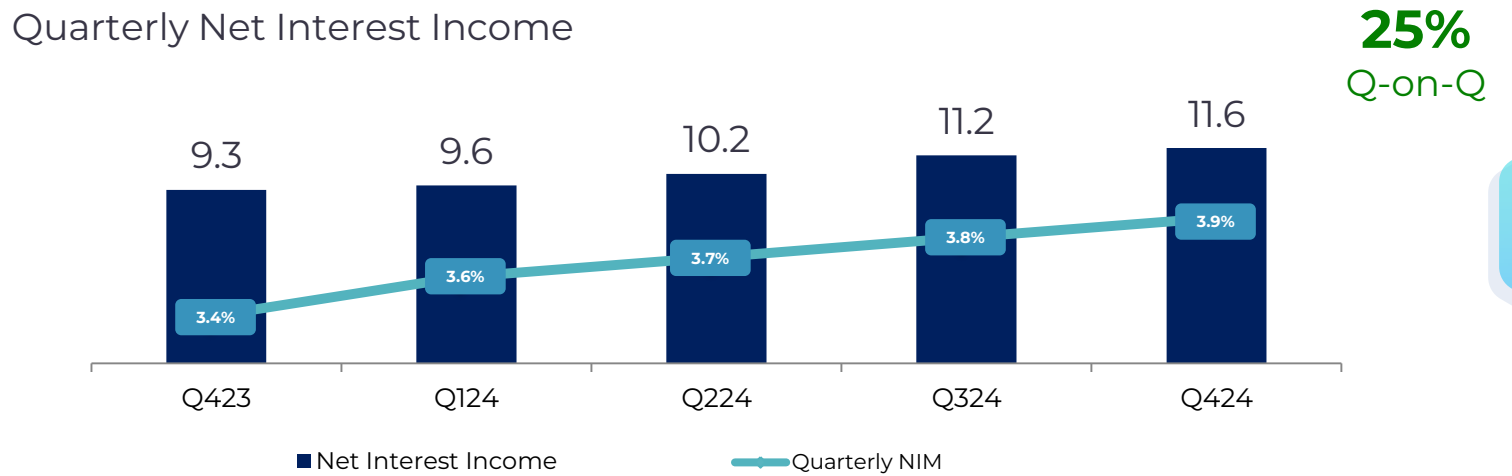
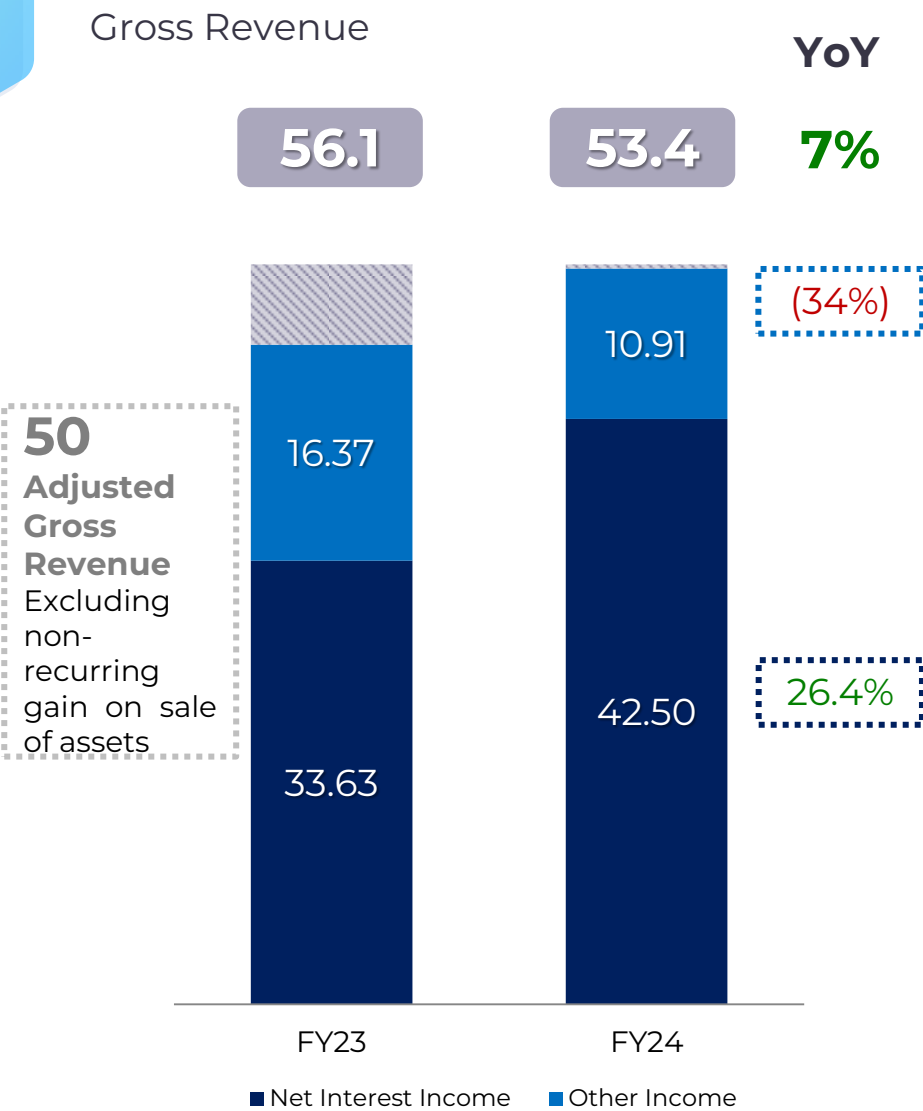
\*Amounts in PhP Millions, except % and ratios

[1] Loans and Receivables net of Allowances and Interbank Loans

[2] NPL cover includes P5.6Bn of General Loan Loss provisions booked in Retained Earnings

Financial Ratios	FY24	FY23	YoY
<b>PROFITABILITY</b>			
ROE	6.0%	9.5%	-3.5%
ROA	0.8%	1.1%	-0.3%
NIM	3.9%	3.4%	0.4%
<b>COST EFFICIENCY</b>			
CIR	59.7%	59.2%	0.5%
<b>ASSET QUALITY</b>			
Net NPL Ratio	2.5%	1.6%	0.9%
NPL Coverage Ratio <sup>2</sup>	74.4%	89.6%	-15.2%
Credit Cost	0.6%	0.6%	0.0%
<b>CAPITAL</b>			
CAR	16.1%	17.4%	-1.3%
CET1	13.5%	14.7%	-1.2%

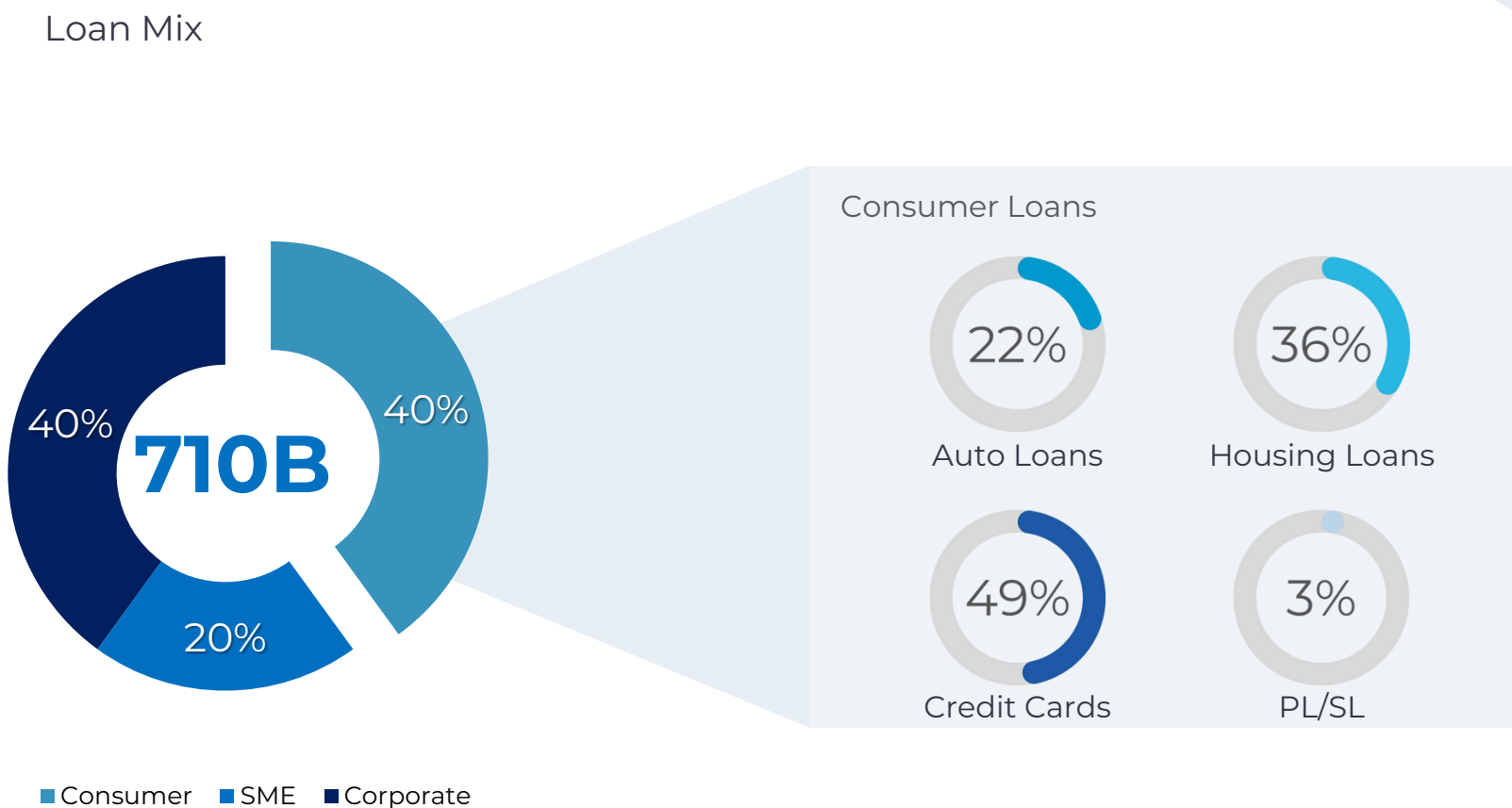
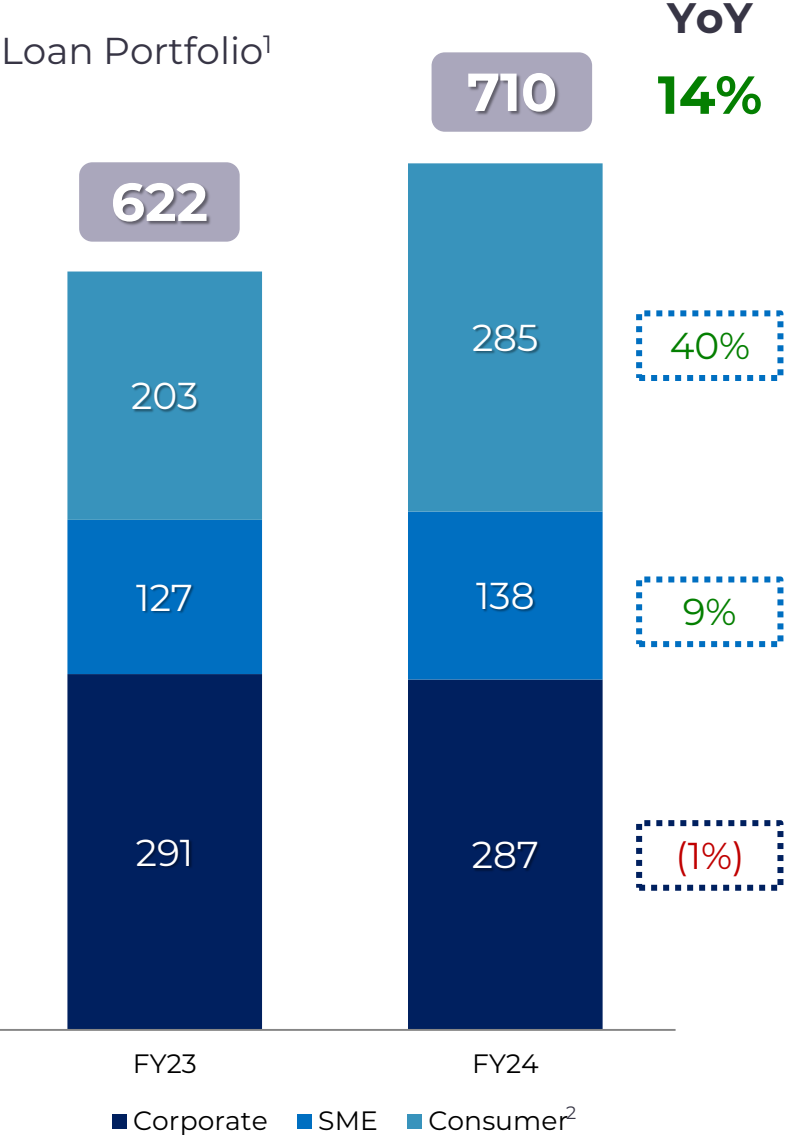
# Sustained Revenue Boosted By Core Businesses



\*Figures in Php Billions, except %  
As of December 30, 2024



# Diversified Loan Portfolio Powered By Consumer Loans

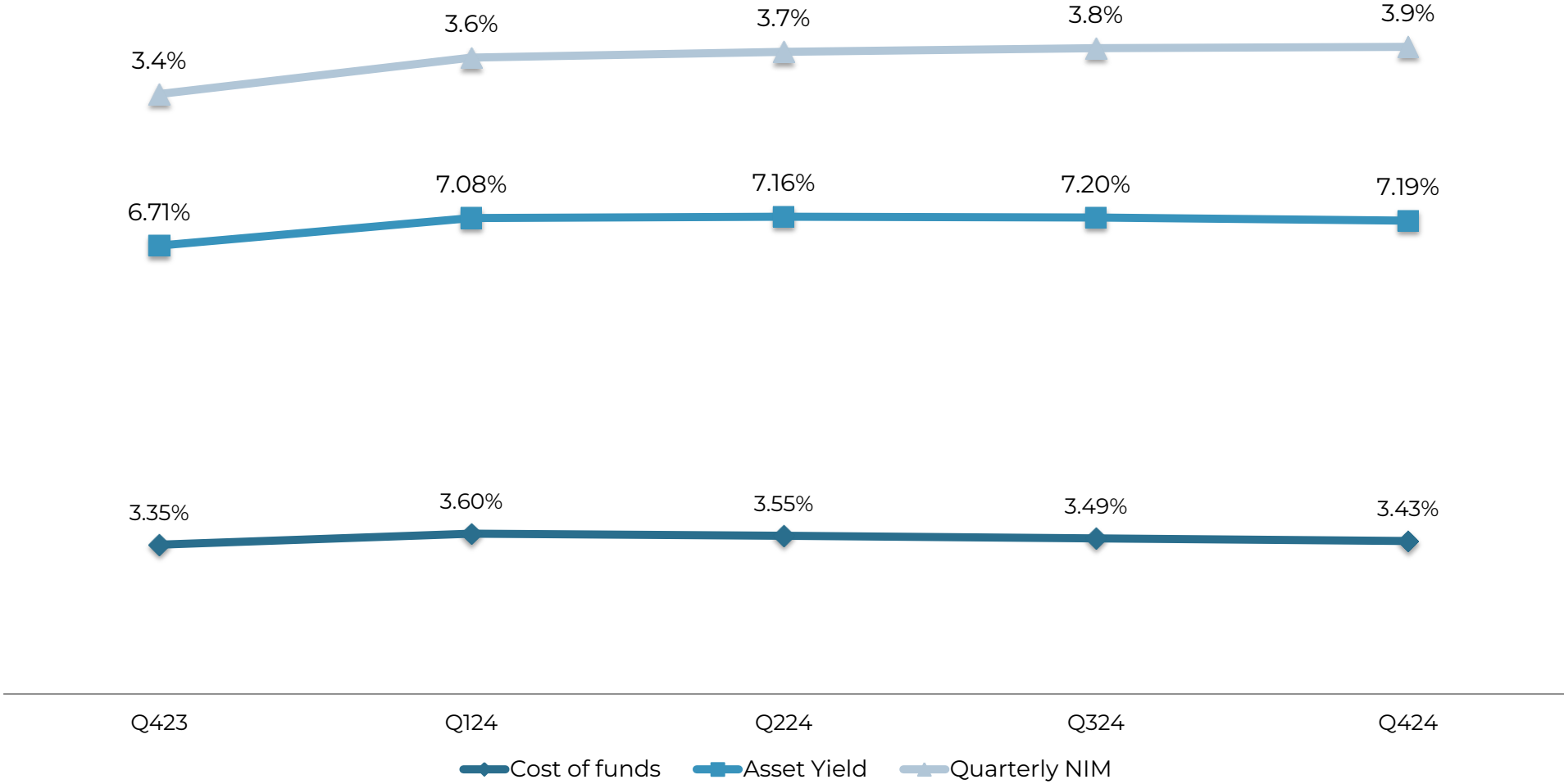


\*Figures in Php Billions, except %  
As of December 30, 2024

<sup>1</sup>Total Gross Loan to Customer  
<sup>2</sup>Consumer refers to Auto, Mortgage, Credit Card and Personal/Salary Loans

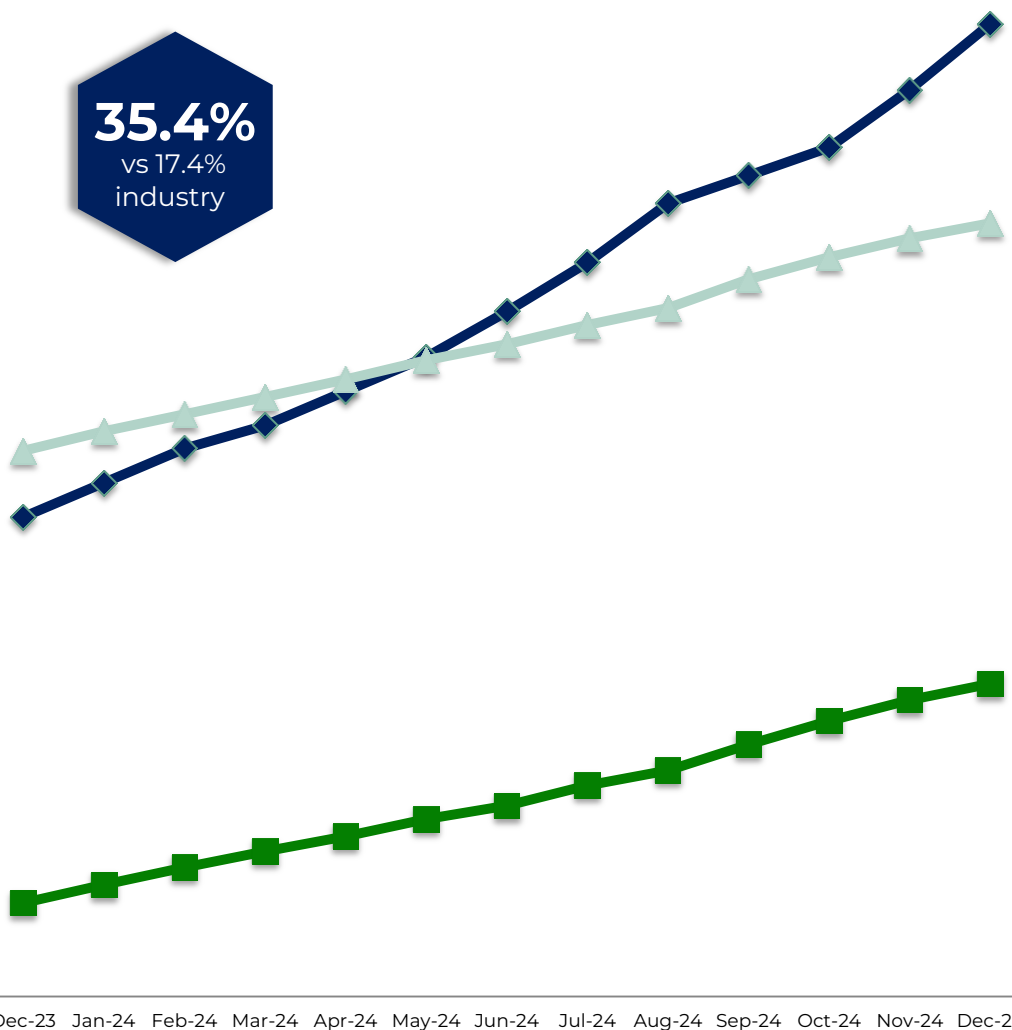
# Cost of Funds Pressure Eases as Yields Improved

Quarterly



# Sustained Double-Digit Rise in Credit Cards & Consumer Loans

Consumer Loans & Credit Cards portfolio  
in PHP billions, % growth year-on-year



**CARDS**  
**+48%**

**MORTGAGE**  
**+24%**

**AUTO**  
**+44%**



**↑70%**

Auto loan bookings compared to 2023; dealer-generated bookings doubled



**↑36%**

mortgage loan bookings vs. last year

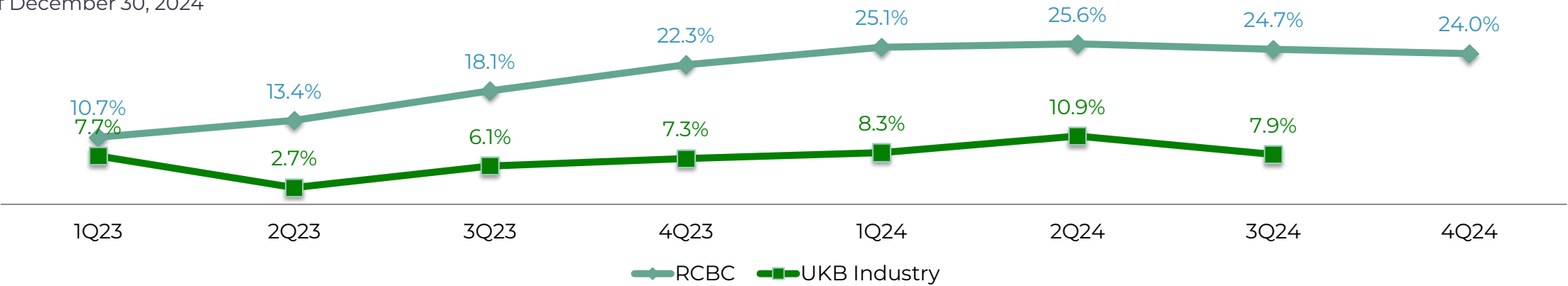


**₱195B**

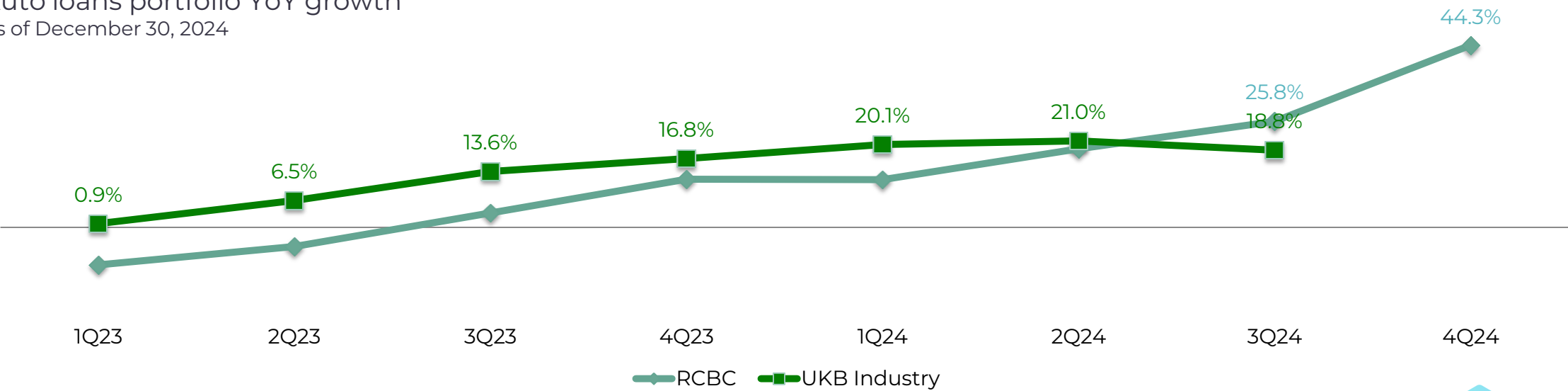
in issuing billing; 41% higher compared to year ago levels. Highly driven by increased spending from premium cardholders

# Thriving Housing & Auto Loan Growth Drives 51% Expansion

Housing loans YoY growth  
As of December 30, 2024

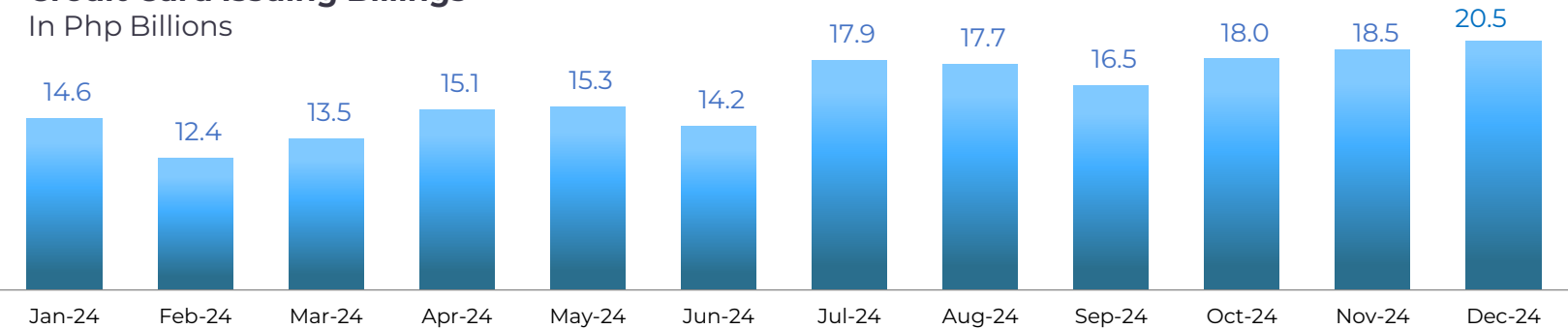


Auto loans portfolio YoY growth  
As of December 30, 2024

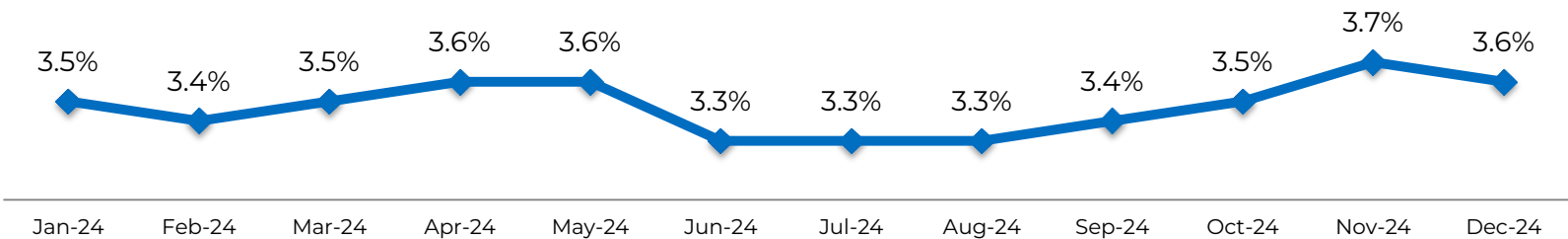


# Outpacing The Industry In Cards and PL Growth

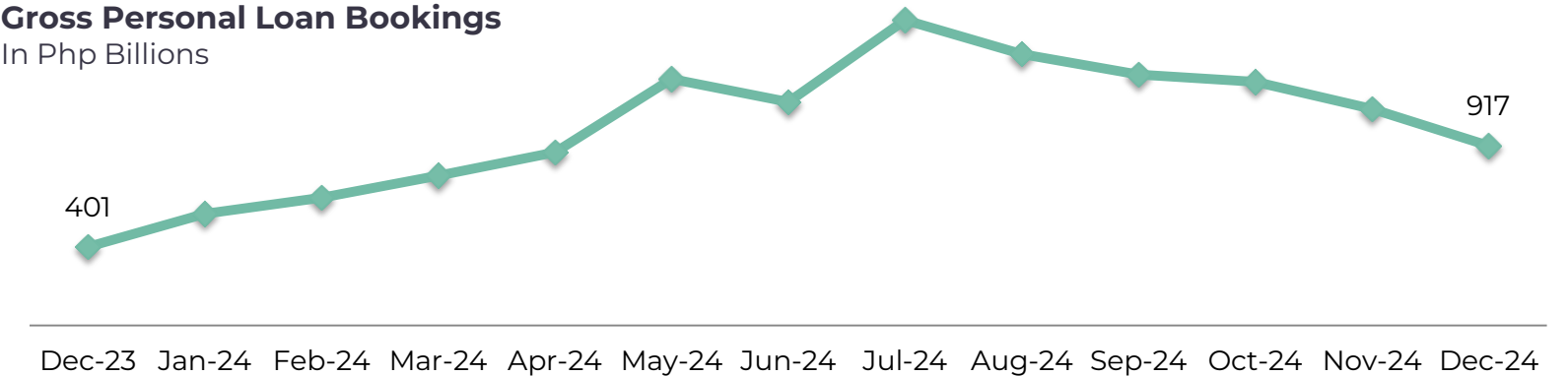
Credit Card Issuing Billings  
In Php Billions



Delinquency %



Gross Personal Loan Bookings  
In Php Billions



1.26M

cards in force; 21% higher than last year, better than industry average of 14%



P110B

in balances; up by 48% from last year's level vs. industry average of 29%

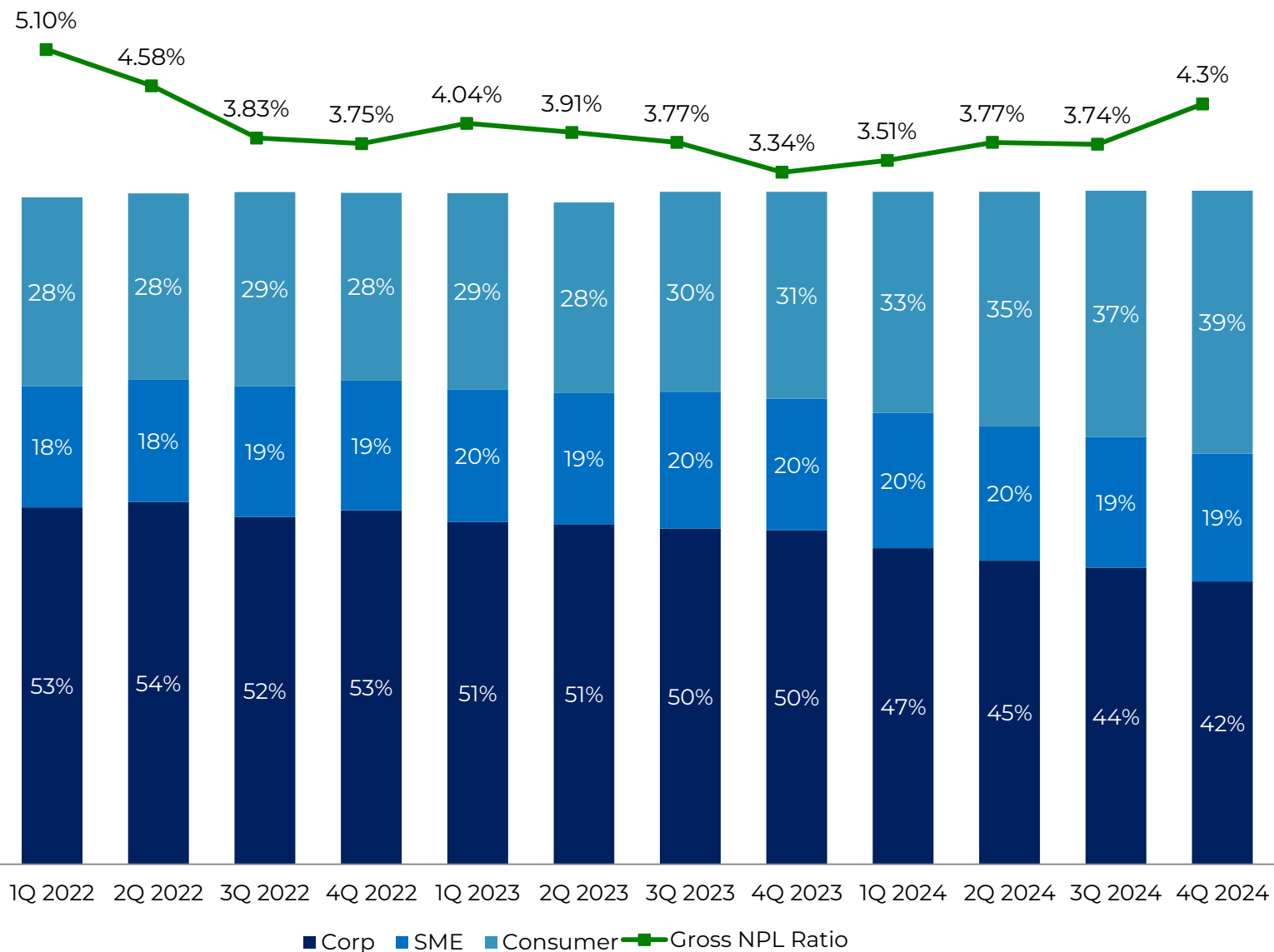


P12.7B

Personal loans receivables soared up to 352% vs. ly

# Managing NPLs

Quarterly Loan Portfolio Per Segment and NPL ratio

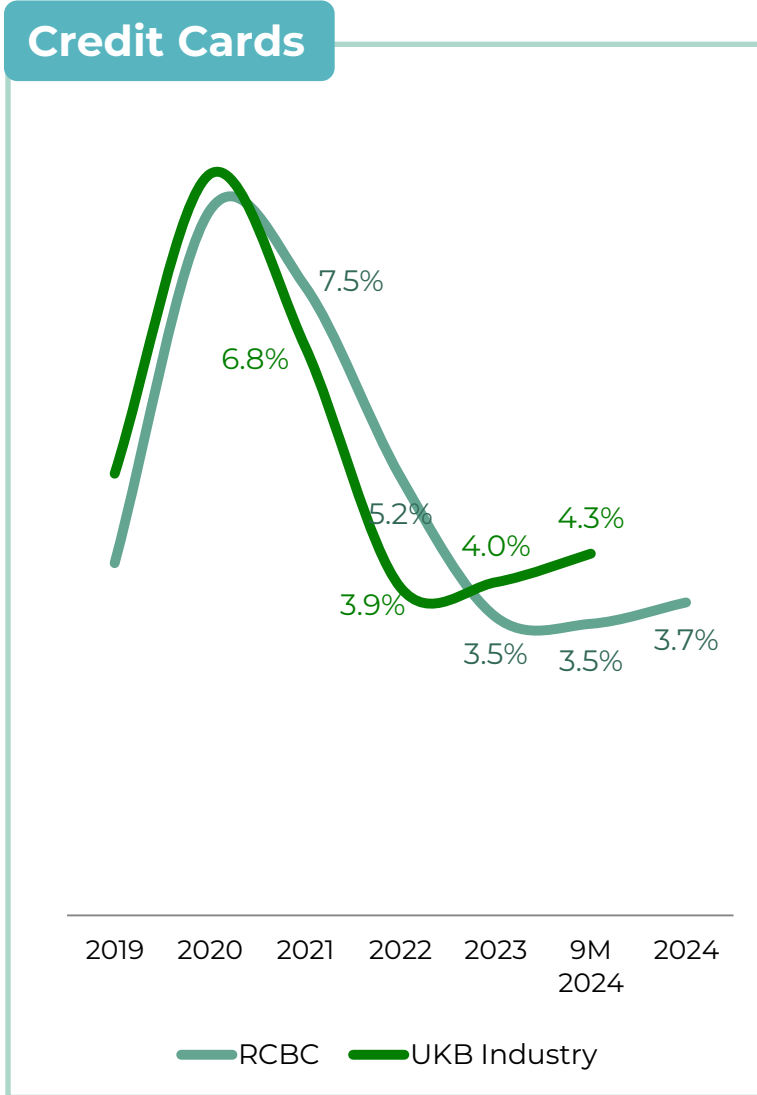
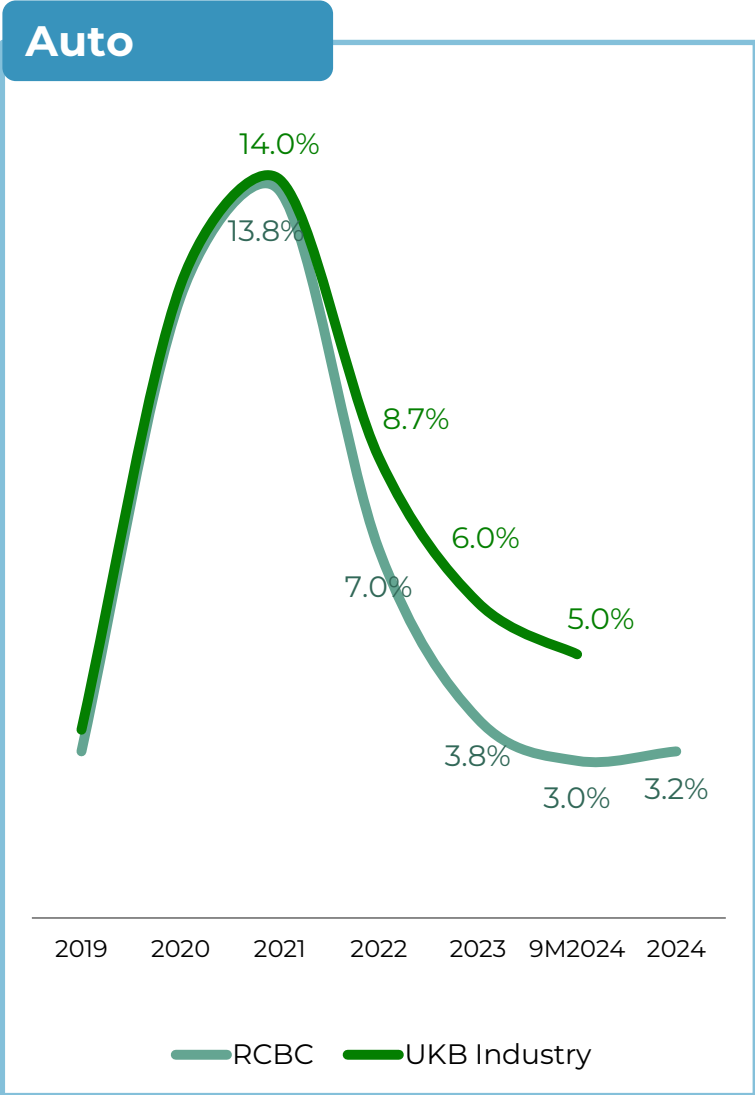
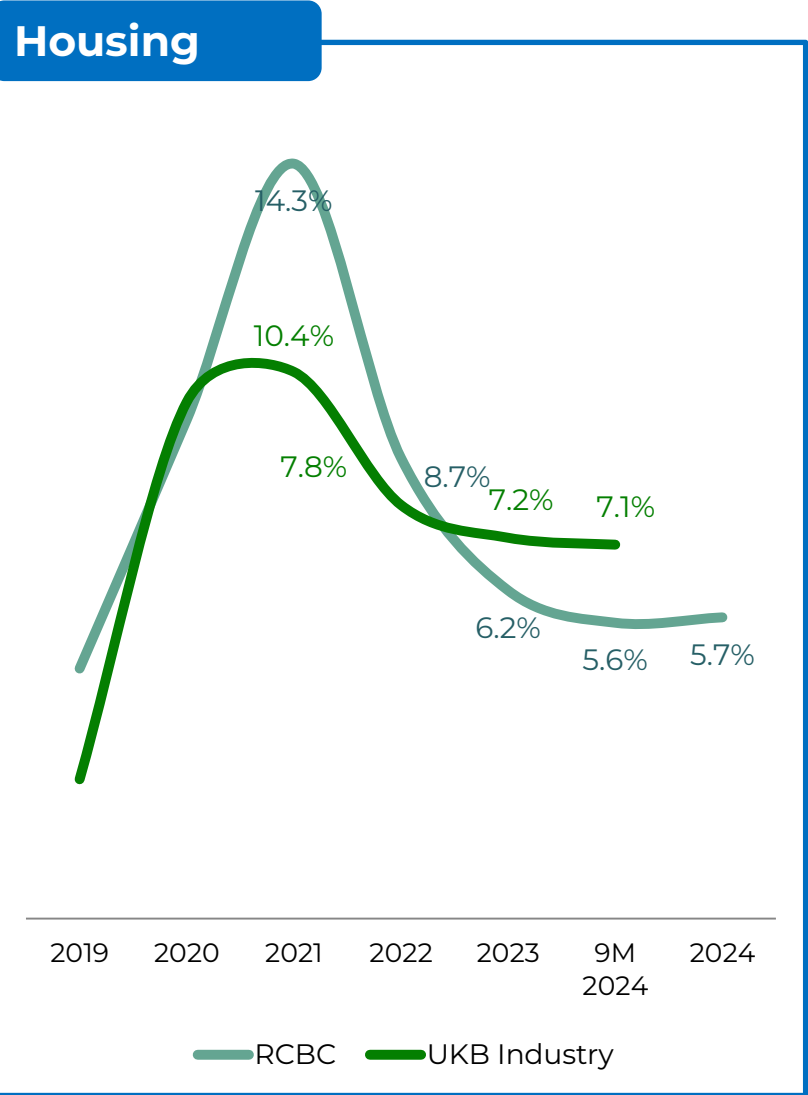


Gross NPL ratio per segment  
As of December 30, 2024

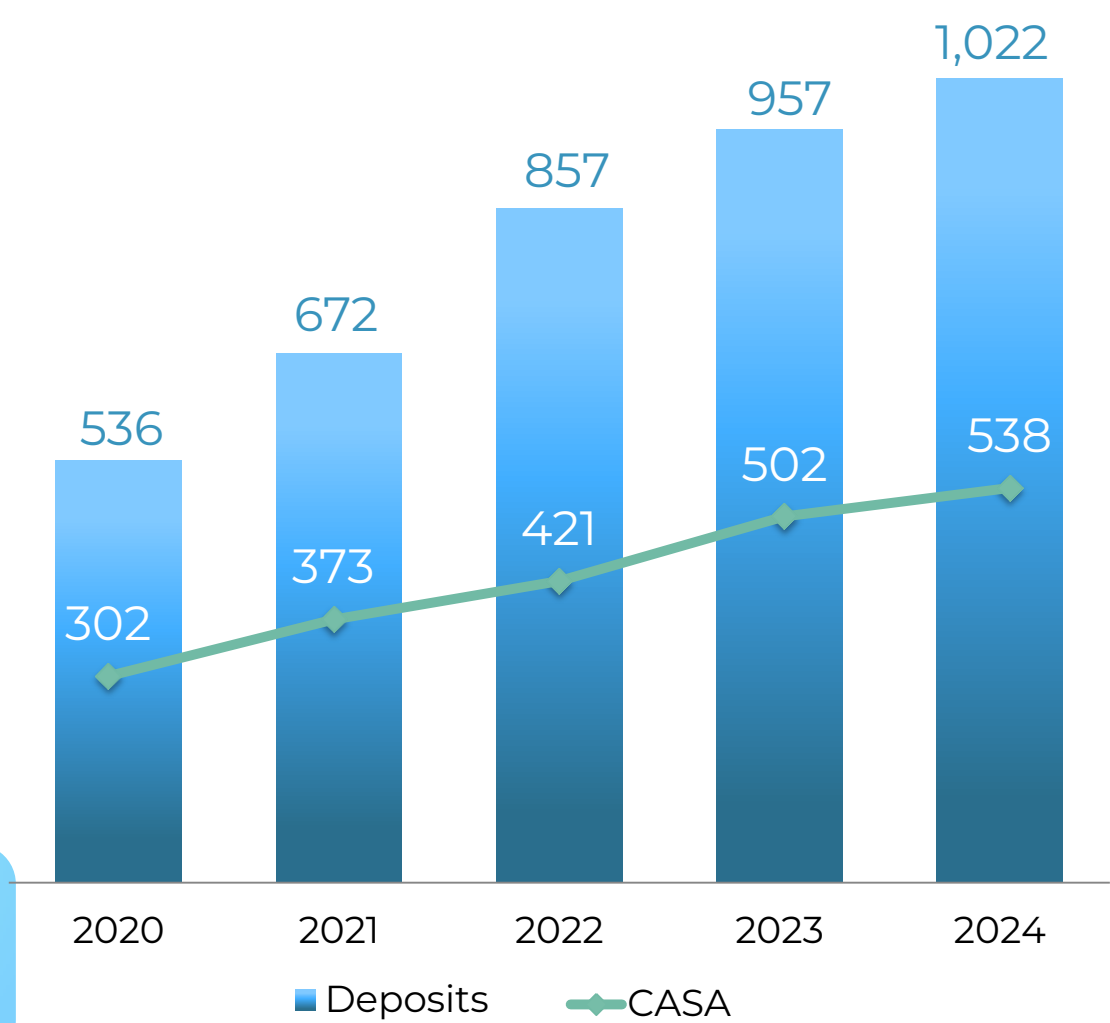
Corporate	1.6%
SME	7.9%
Consumer	4.4%
Credit Card	3.9%



# Consumer NPLs Remain Well-Managed Below Industry Level



# Total Deposits Reached ₱1.02T Boosted By CASA



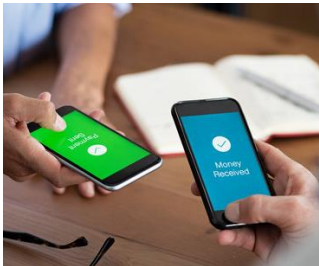
**CheckScan transaction values up by 35%,** pushing transactions up PHP 47B



**Double-digit jump in CashCube business** at 17% vs previous year



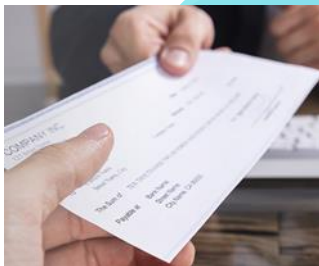
**Bills collection brought PHP 46B increase** in transactions value YoY



**EFT and auto-credit contributed 91%** of increase in values



**Payroll up PHP 3B YoY,** bringing total to PHP 116B



**Double digit jump in checks,** up PHP 13B

# Harnessed AI for digital growth and engagement

AI-driven Credit & Risk Analytics for smarter business strategies:

- ✓ Optimized loan approvals
- ✓ AI-powered targeted marketing
- ✓ Accelerated lead generation



1.2M

Accounts

48%

Transaction Volume

46%

Transaction Value



App for Lifehacks and Digital Credit

1.5M

Accounts

13%

Transaction Volume

1.8B

In Deposits, 6x growth YoY



ATMGo

PH's 1<sup>st</sup> neighborhood & last mile ATM network

8,426

Terminals

17%

Transaction Volume

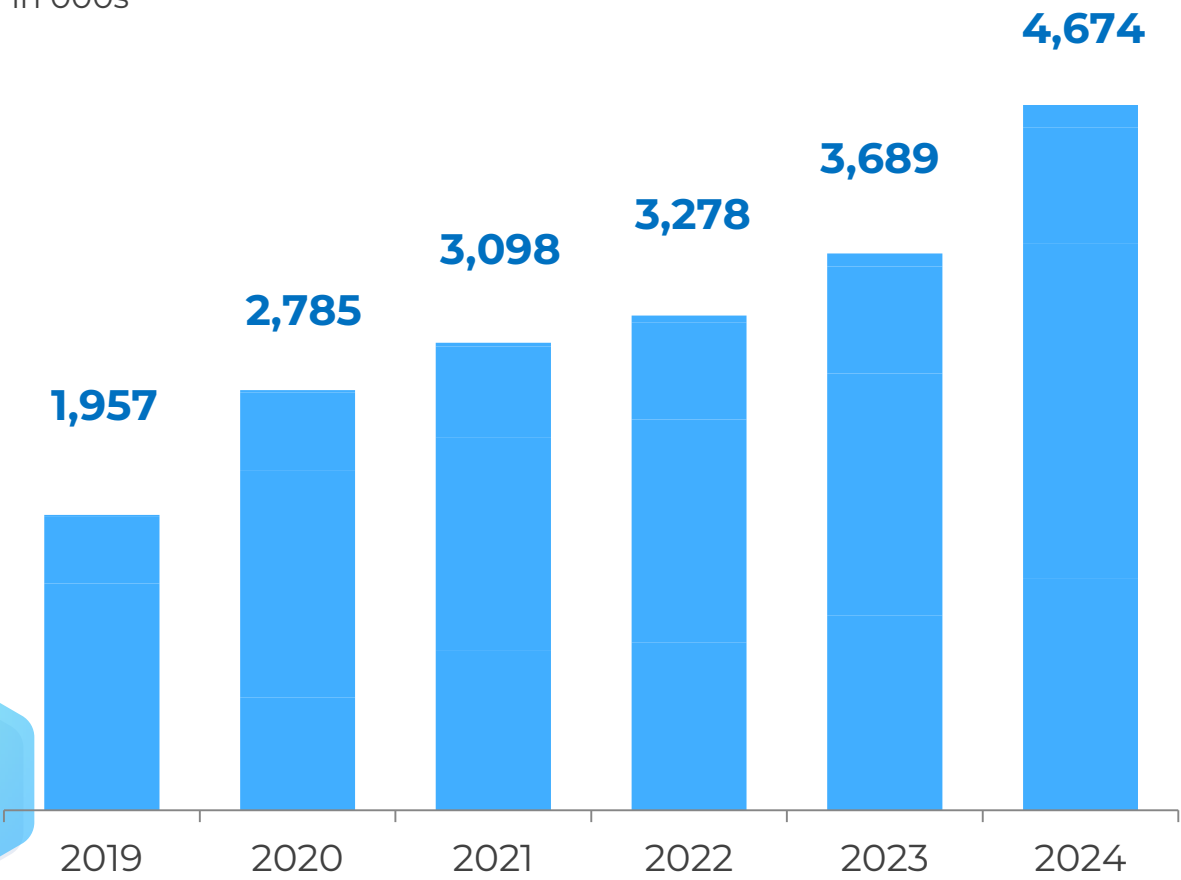
30%

Transaction Value



# RCBC customers reached 4.7M, up by 27% from 2023

Customer Count  
in 000s



1.26M

new cards YTD, up 21% YoY;  
credit card spend at Php 110  
billion

146B

billings for retail transactions,  
with 44% booked by super  
affluent clients

24.3B

consumer loan bookings  
from Internal Sales in 2024





# Data & AI for smart and targeted actions



## Cross-sell & CX

25 ML models based on product propensity for various customer segments



## Credit, Risk & Fraud

12 ML models for risk mitigation & fraud detection



## Forecasting & Network

5 ML models for Expected Credit Losses (ECL) & client network analysis



## Segmentation & Analysis

4 ML models for analysis & profiling of lifestyle & affluence segments

\*Total ML models as of December 30, 2024

# RCBC's Sustainability Impacts at a Glance

Our framework is aligned with internationally recognized guidelines



**₱126.7B**

Total Eligible Sustainable Portfolio

**3.7x**

Higher Sustainable Portfolio vs. Coal Exposure

**65%**

Sustainability Bonds Allocated to Green Projects



Allocation Report consisting of Eligible Sustainable Portfolio and Sustainable Funding portions, is still pending external review



**“When it comes to digital solutions,  
RCBC remains the bank to beat.”**



**Over 100 global and regional awards in 5 years!**





# Question & Answer





For more information about RCBC,  
please contact  
**[Investor\\_Relations@rcbc.com](mailto:Investor_Relations@rcbc.com)**





# **FY 2024 Analysts' Briefing**