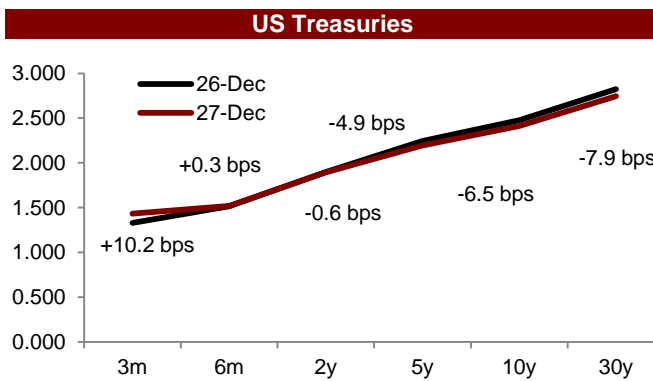
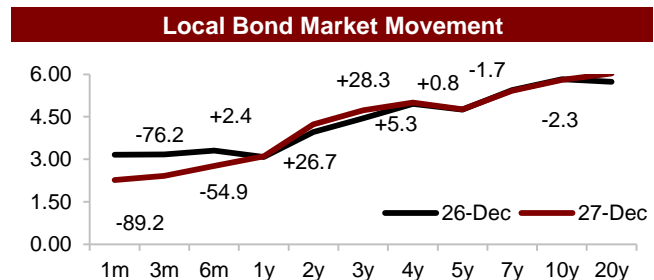
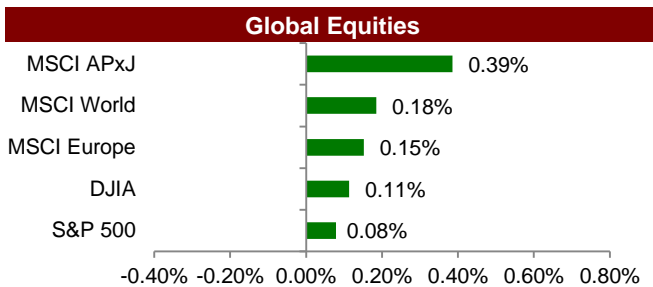
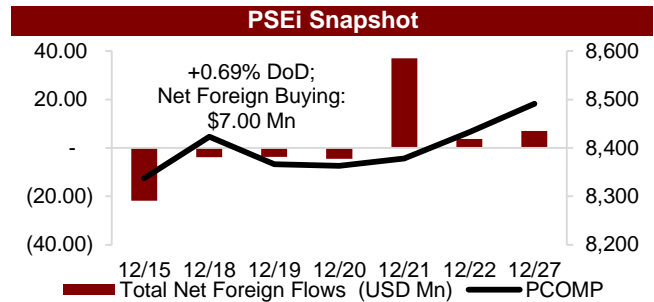


Global equities closed mostly higher on the back of strong performances of major regional benchmarks. Meanwhile, US Treasury yields and the greenback weakened as a result of a dip in consumer confidence.

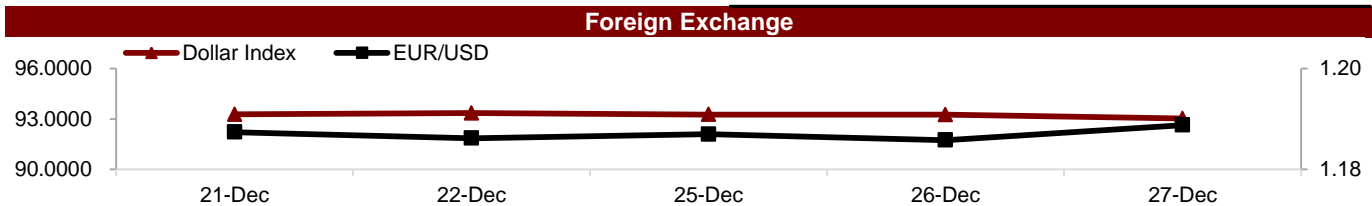
- ✓ **Local stocks** closed higher (on a day of thin trading volume) as investors acquired names at seemingly bargain prices. Active names include index heavyweights such as AC (+1.88%) and BDO (+1.43%). The PSEI closed at 8,490.91 (+0.69% DoD).
- ✓ Prices of **local fixed income** securities continued to gain amidst dovish statements made by Felipe Medalla of the BSP's Monetary board, which led to a steepening of the yield curve. The short-end of the curve led the rally, falling by 54.49 bps. On average, yields fell 11.92 bps.



- ✓ **US equities** were back in positive territory after falling slightly for two straight sessions. Particularly, the real estate and utilities sectors were up 0.4% while the energy sector was down 0.3% as oil prices slipped. The DJIA closed at 24,774.30 (+0.11% DoD) while the S&P 500 was at 2,682.62 (+0.08% DoD).
- ✓ **European stocks** ended higher with U.K. stocks leading the advance as the U.K.'s FTSE 100 index closed at 7,620.28, an all-time high, fueled by the rally of commodity companies. The MSCI Europe index closed at 131.86 (+0.15% DoD).
- ✓ **Asian stocks** advanced on the back of the turnaround of South Korea's Kospi index. Major tech stocks rebounded after losses early in the week offsetting a massive drop in Hyundai Heavy Industries (-29% DoD). The MSCI APxJ index closed at 563.05 (+0.39% DoD).
- ✓ **US Treasury yields** fell further as investors positioned in the long end of the curve following a dip in consumer confidence in December. The dip was attributed to less confidence in outlook for jobs and business conditions. On average, yields fell 1.55 bps with the 10-year falling 6.49 bps to 2.4107%.

- ✓ The **Philippine peso** moved up, continuing its recent upward streak due to the influx of money from abroad during this holiday season. The peso outperformed Asian peers DoD. The USD/PHP declined 0.20%, to close at 50.040.
- ✓ The **US dollar** weakened against major currencies as the consumer confidence index fell to 122.1 from 128.6 last month. The latest data, however, still remains high—the strongest reading in December since 2000. The DXY closed at 93.025 (-0.25% DoD).

Currency Pair	Previous Close	Close	Indicative Rate
USD/PHP	50.140	50.040	
EUR/USD	1.1858	1.1876	



Key Indicators

YIELDS AND PRICES	27-Dec-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.41	-0.76%	-0.09%	-0.62%	-0.25%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.10	0.02%	0.05%	0.02%	0.73%
ROP2021 (Price)	104.91	(0.04)	0.00	(0.18)	(3.46)
ROP2034 (Price)	133.81	0.16	0.01	0.13	3.34
3-Month US Treasury Yield	1.43	0.10%	0.06%	0.19%	1.27%
3-Month German Treasury Bill Yield	(0.80)	0.09%	0.11%	0.02%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	63.66	1.76%	3.85%	3.70%	98.13%
Gold Spot (\$/oz)	1,287.30	0.33%	1.72%	-0.56%	21.28%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
12/29/2017	Bank Lending YoY	Nov	18.0%
1/4/2018	CPI YoY	Dec	3.3%

Developed Markets

Date	Country	Event	Period	Prior
12/28/2017	US	Initial Jobless Claims	Dec	245k
12/29/2017	Germany	CPI YoY	Dec	1.8%
12/28/2017	Japan	Industrial Production MoM	Nov	0.5%

Emerging Markets

Date	Country	Event	Period	Prior
1/5/2018	Malaysia	Exports YoY	Nov	18.9%
12/29/2017	Thailand	Exports YoY	Nov	13.4%
12/31/2017	China	Manufacturing PMI	Dec	51.8

Sources: BPI, Reuters, Bloomberg, PSE, CNN, MarketWatch, The Wall Street Journal, CNBC, Business World

www.bpiassetmanagement.com



This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI AMTC is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein. All funds managed by BPI Asset Management & Trust Corp. and affiliates are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI AMTC Investment Funds are valued daily using the marked-to-market method.