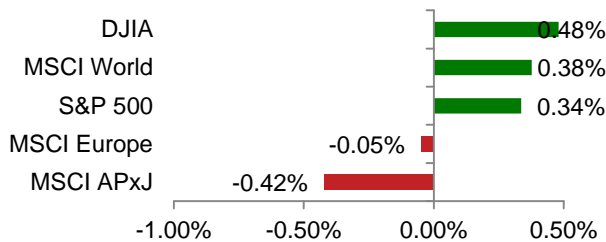


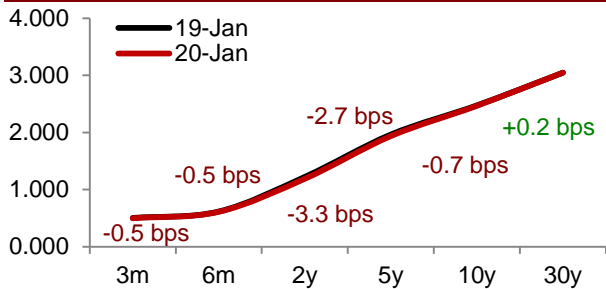
**Global markets were mixed as investors sought for leads on the back of geopolitical risks. The clear winner were investors of US assets on optimism towards Trumponomics.**

- ✓ The **local equities market** rallied to 7,246.08 (+1.25%) given bargain-hunting from local investors, despite the Php379Mn net selling undertaken by foreign investors.
- ✓ As for the **local fixed income** space, we saw some profit taking after Yellen said that the Fed is ready to execute a few rate hikes until 2019. Yields rose by an average of 19 bps, led by the short end (+ 28 bps).

### Global Equities

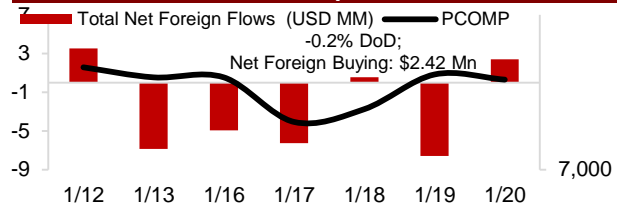


### US Treasuries

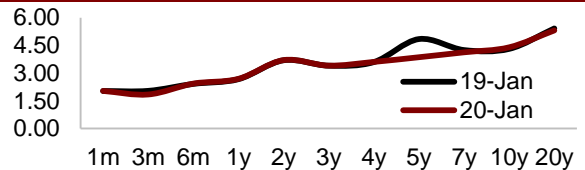


- ✓ The **Philippine peso** depreciated given hawkish comments from Yellen, which indicated that the Fed is prepared for gradual increase in interest rates this year. The USD/PHP pair rose to 49.980, up by 0.38%.
- ✓ The **US dollar** weakened as investors took profits after three straight trading days of strengthening. The DXY index slipped 0.41% to 100.74.

### PSEi Snapshot



### Local Bond Market Movements



- ✓ **US equities** rose as President Trump indicated strong protectionist bias. The Dow Jones Industrial Average Index rose 0.48% while S&P 500 gained 0.34%.
- ✓ **European stocks** were flat as traders remained cautious on geopolitical risks from US and Britain. The FTSEurofirst 300 Index was at 1432.37, up by 0.01%.
- ✓ **Asian equities** are mixed ahead of Trump's inauguration. Some markets, such as Japan, were slightly up after being battered in the past few days. The MSCI AC Asia Pacific Index was relatively unchanged at 139.65 (-0.04%).
- ✓ The **US Treasury market** rebounded as investor sentiment was positive during the start of the era of Donald Trump's Presidency. The two-year rate fell to 1.189% while the 10-year was down to 2.467%.

### Foreign Exchange

USD/PHP	Previous Close	49.980
	Close	49.920
EUR/USD	Previous Close	1.0656
	Indicative Rate	1.0666

### Foreign Exchange



## Key Indicators

YIELDS AND PRICES	20-Jan-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	1.8381	-0.20%	-0.21%	-0.15%	-0.83%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.6875	0.02%	-0.01%	0.47%	0.32%
ROP2021 (Price)	106.155	(0.60)	(1.29)	(0.18)	(2.21)
ROP2034 (Price)	132.866	(1.25)	(2.44)	3.38	2.40
3-Month US Treasury Yield	0.4974	-0.01%	-0.03%	-0.01%	0.33%
3-Month German Treasury Bill Yield	-0.848	0.04%	0.08%	0.09%	-0.31%
Dubai Crude Oil Spot (\$/bbl)	52.15	0.60%	-3.30%	0.66%	62.31%
Gold Spot (\$/oz)	1,210.57	0.48%	1.08%	6.91%	14.05%

## Upcoming Economic Releases

### Philippines

Date	Event	Period
1/25/2017	Philippines Budget Balance Monthly	Dec
1/26/2017	Philippines GDP Constant 2000 Prices YoY	4Q

### Developed Markets

Date	Country	Eco	Period
1/25/2017	US	MBA US US Mortgage Market Index Weekly % Change SA	Jan 20
1/26/2017	US	US Initial Jobless Claims SA	Jan 14
1/27/2017	US	GDP US Chained 2009 Dollars QoQ SAAR	4Q A

### Emerging Markets

Date	Country	Eco	Period	Prior
01/23/2017	China	Conference Board China December LEI		
01/26/2017	China	Industrial Production YoY	Dec	14.5%

Sources: BPI, Business World, PDI, Phil Star, Manila Bulletin, Reuters, Briefing, Bloomberg, CNN, Dow Jones, The Wall Street Journal, CNBC