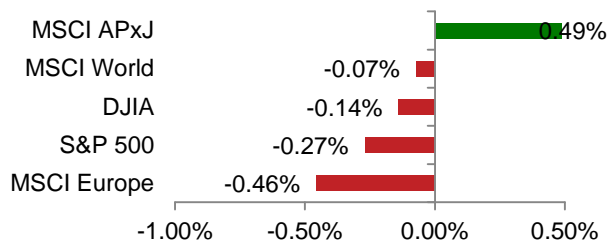


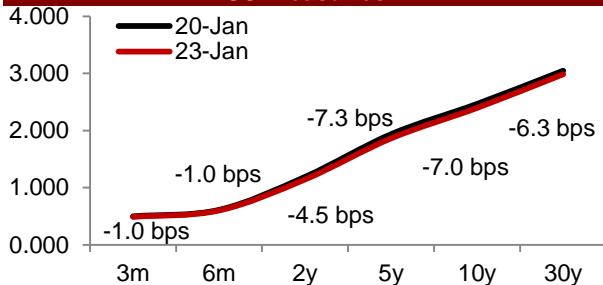
Optimism towards Trumponomics fade as protectionist policies of US President Trump resulted in expectations of slower economic growth. This led to weaker US dollar, lifting sentiment towards EM equities space. We also saw moderate gains in EM Asian shares and US Treasuries.

- ✓ The **local equities index** rallied by 1.96% following the inauguration of Donald Trump as the US' 45th President. Market players lifted the market on optimism ahead of 4Q GDP results.
- ✓ In the **local fixed income market**, prices of government securities corrected as yields went up ahead of the auction tomorrow. Yields rose by an average of 6.49 bps.

Global Equities

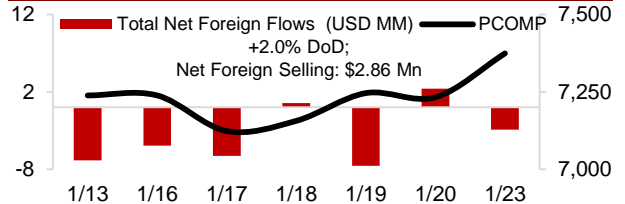


US Treasuries

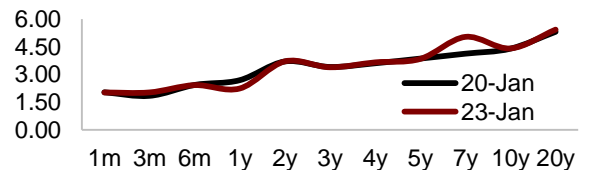


- ✓ The **Philippine peso** strengthened, along with other Asian currencies, against the Dollar as investors were disappointed following Trump's inauguration's failure to provide more clarity on his policies. The USD/PHP fell by -0.10%, closing at 49.87.
- ✓ The **US dollar** continued to fall, reaching its lowest since December 2016, as investors took note of Trump's focus on trade protectionism while offering scant details on his fiscal plans. The DXY index fell 0.58% to 100.16.

PSEi Snapshot



Local Bond Market Movements

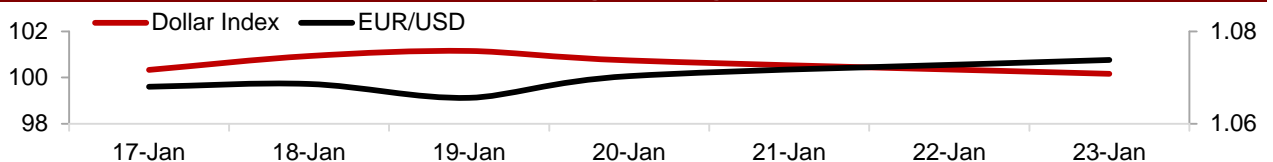


- ✓ **US equities** fell as Trump focuses more on protectionist policies triggering fears of slower growth. The new US president signed the executive order to pull out of the Transpacific Partnership (TPP). The DJIA and S&P 500 fell 0.14 and 0.27%, respectively.
- ✓ **European stocks** closed lower due to lack of economic catalysts. There were moderate profit taking ahead of Pres Trump and UK's PM May's meeting on trade. The MSCI Europe fell 0.46%.
- ✓ **Asian equities** rose after the US dollar retreated. The MSCI APxJ rose 0.49%.
- ✓ The **US Treasury market** continued to surge given US President Trump's plan to implement a "very major border tax" on imports along with massive tax cuts for the middle class. The two-year rate slipped to 1.143% while the 10-year dipped to 2.397%.

Foreign Exchange

USD/PHP	Previous Close	49.920
	Close	49.870
EUR/USD	Previous Close	1.0703
	Indicative Rate	1.0727

Foreign Exchange



Key Indicators

YIELDS AND PRICES	23-Jan-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.0233	0.19%	-0.02%	0.24%	-0.64%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.2371	-0.45%	0.00%	-0.07%	-0.13%
ROP2021 (Price)	106.310	0.16	(1.12)	(0.04)	(2.05)
ROP2034 (Price)	133.506	0.64	(1.64)	3.74	3.04
3-Month US Treasury Yield	0.4872	-0.01%	-0.04%	-0.02%	0.32%
3-Month German Treasury Bill Yield	-0.882	-0.03%	0.05%	0.07%	-0.34%
Dubai Crude Oil Spot (\$/bbl)	52.91	1.46%	-0.28%	2.84%	64.67%
Gold Spot (\$/oz)	1,218.10	0.62%	1.27%	7.42%	14.76%

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
01/26/2017	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