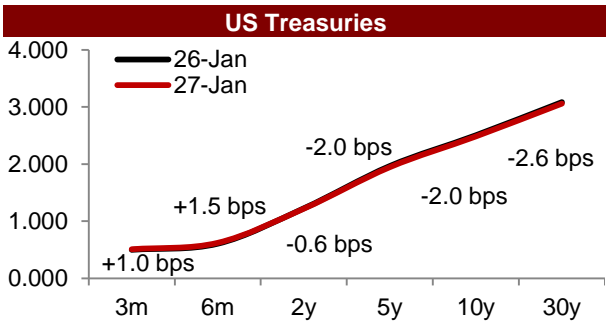
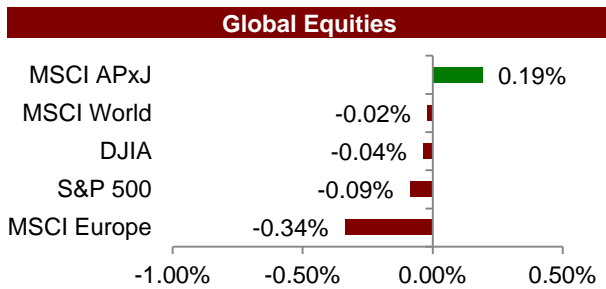
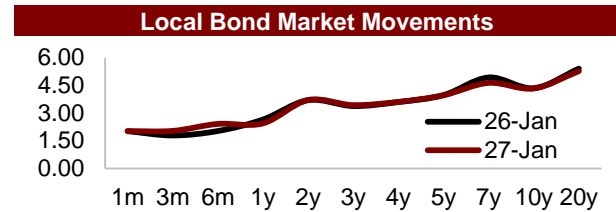
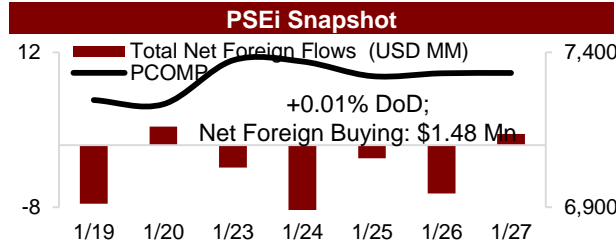
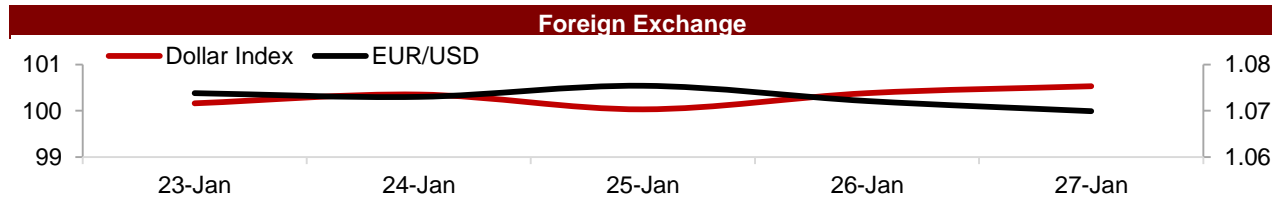


**Investors adopted a flight-to-safety stance following the weaker-than-expected US 4Q GDP print and amid new executive orders issued by US President Trump. On the local front, local equities marginally moved ahead of global economic data releases and in preparation for the local earnings season.**

- ✓ The **local equities** index ended higher only by .01% due to lack of market leads. The Services sector was the strongest sector, increasing by 1.1% and led by index heavy weights GLO and PLDT. Net foreign buying for the day amounted to \$1.48 million.
- ✓ The **local fixed income market** went down as traders digested the BSP inflation forecast (2.3-3.2%) for the month of January. Yields rose by an average of 0.30 bps, led by the short-end of the curve which increased by 10.7 bps.



- ✓ The **Philippine peso** weakened against the Dollar as traders took caution ahead of the US GDP release for 2016. The USD/PHP closed at 49.850.
- ✓ The **US dollar** was changed slightly having rebounded from the sell-off resulting from the disappointing economic data. The DXY index rose 0.55% to 100.53.



- ✓ **US equities** ended following the weaker-than-expected US 4Q GDP print. According to the Bureau of Labor Statistics, the US economy grew 1.9% annually in the fourth quarter, 30 bps lower than consensus estimates.
- ✓ **European stocks** reacted to the softer-than-expected US GDP print and amid the new foreign policy orders signed by US President Trump.
- ✓ **Asian equities** rallied as investors moved ahead of the US GDP print and as market players took the opportunity to bargain hunt.
- ✓ **US Treasuries** bounced back as economic growth in the fourth quarter slowed down—this is supportive of less aggressive tightening. The two-year note yield fell 0.6bps to 1.218% as the 10-year bond yield slipped 2bps to 2.484%.

### Foreign Exchange

USD/PHP	Previous Close	49.805
	Close	49.850
EUR/USD	Previous Close	1.0721
	Indicative Rate	1.0697



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## Key Indicators

YIELDS AND PRICES	27-Jan-17	DoD	WoW	MoM
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.0339	0.25%	0.20%	0.04%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.4400	-0.21%	-0.25%	0.12%
ROP2021 (Price)	105.960	(0.03)	(0.20)	(0.33)
ROP2034 (Price)	131.738	0.18	(1.13)	2.03
3-Month US Treasury Yield	0.5076	0.01%	0.01%	-0.00%
3-Month German Treasury Bill Yield	-0.830	0.02%	0.02%	0.13%
Dubai Crude Oil Spot (\$/bbl)	54.23	1.33%	3.99%	4.47%
Gold Spot (\$/oz)	1,191.30	0.23%	-1.59%	4.61%

## Upcoming Economic Releases

### Philippines

Date	Event	Period
1/31/2017	Philippines Budget Balance Monthly	Dec
1/31/2017	Philippines Commercial Banks Loans Outstanding Total Gross YoY	Dec

### Developed Markets

Date	Country	Eco	Period	Prior
1/31/2017	US	Conference Board Consumer Confidence	Jan	113.7
2/03/2017	US	Unemployment Rate	Jan	4.7%

### Emerging Markets

Date	Country	Eco	Period	Prior
2/1/2017	China	Mfg PMI	Jan	51.4
2/1/2017	China	Non-Mfg PMI	Jan	54.5

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