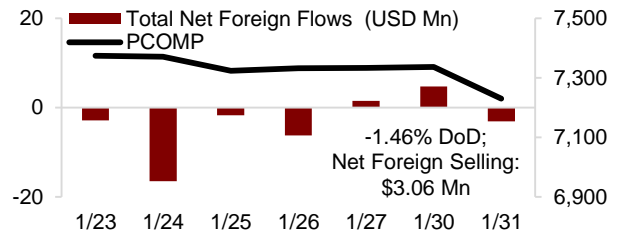


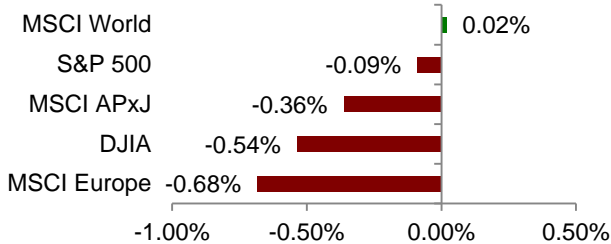
Investors continued to be cautious amid Trump's immigration policies and weak consumer confidence data released. On the local front, local equities tracked regional trends while the fixed income traders remained on hold ahead of central bank meetings.

- ✓ The **local equities index** declined, tracking regional trends, after investors became nervous on Trump's travel policies. Foreign investors were net sellers. The PSEi fell 1.46%.
- ✓ The **local fixed income market** was flat as cautious trading ahead of central bank meetings, US NFP and PH inflation, was offset by demand for the long end of the curve. Yields rose by an average of 0.61 bps.

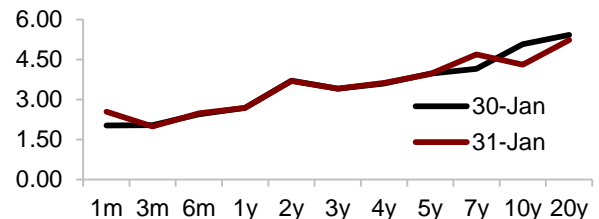
PSEi Snapshot



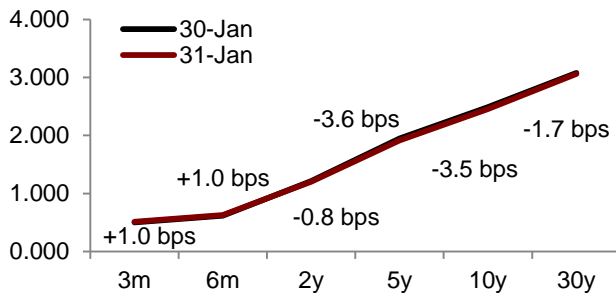
Global Equities



Local Bond Market Movements



US Treasuries



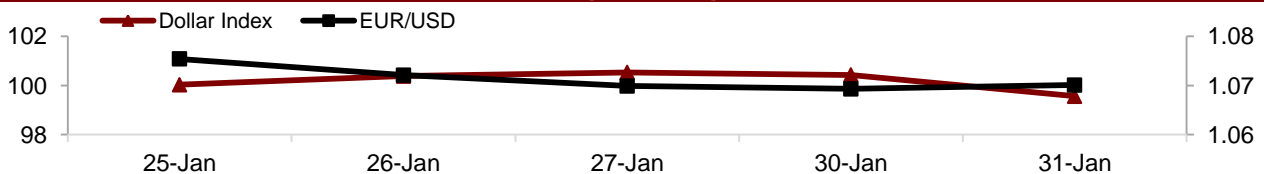
- ✓ The **Philippine peso** strengthened by 0.05% to close at 49.77, bucking the Php152Mn foreign selling in the local equities market.
- ✓ The **US dollar** depreciated after Trump's economic adviser said that the Euro is "grossly undervalued". The DXY index declined 0.86% to 99.562.

- ✓ Fading Trump momentum causes **US equities** to end lower. Nevertheless, despite a recent sell-off amid concerns on political stability, US indexes posted monthly gains for a third month in a row.
- ✓ **European equities** fell partly due to a stronger Euro as stocks posted a monthly loss for the first time since November.
- ✓ Bank of Japan's announcement to maintain policy rates barely moved the market as uncertainty in the US continued to pull down **Asian equities**.
- ✓ **US Treasuries** rebounded after the release of weak consumer confidence data and as investors shifted to safe-haven assets amid Trump's immigration policies. The two-year note yield fell 0.78 bps to 1.207% while the 10-year bond yield dropped 3.50 bps to 2.453%.

Foreign Exchange

USD/PHP	Previous Close	49.820
	Close	49.770
EUR/USD	Previous Close	1.0693
	Indicative Rate	1.0714

Foreign Exchange



Key Indicators

YIELDS AND PRICES	31-Jan-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	1.9908	-0.05%	-0.05%	-0.08%	-0.68%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.6866	-0.00%	0.39%	0.23%	0.32%
ROP2021 (Price)	106.026	0.01	(0.36)	(0.28)	(2.33)
ROP2034 (Price)	131.782	0.13	(1.67)	1.85	1.31
3-Month US Treasury Yield	0.5127	0.01%	0.01%	0.02%	0.35%
3-Month German Treasury Bill Yield	-0.828	0.01%	0.02%	0.16%	-0.29%
Dubai Crude Oil Spot (\$/bbl)	53.00	-2.27%	-0.64%	-1.83%	64.95%
Gold Spot (\$/oz)	1,210.65	1.26%	0.15%	5.07%	14.06%

Upcoming Economic Releases

Philippines

Date	Event	Period
2/7/2017	CPI YoY	Jan
2/9/2017	BSP Meeting	Jan

Developed Markets

Date	Country	Event	Period	Prior
2/1/2017	US	FOMC Meeting	Jan	0.5%-0.75%
2/3/2017	US	Nonfarm Payrolls	Jan	156K
2/2/2017	EU	CPI YoY	Jan	-0.25%

Emerging Markets

Date	Country	Event	Period	Prior
1/31/2017	China	Caixin China Composite PMI	Jan	53.4
2/3/2017	China	Exports YoY	Jan	-6.10%

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