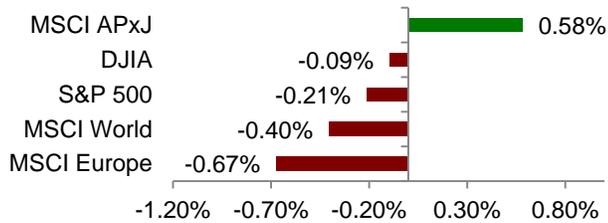


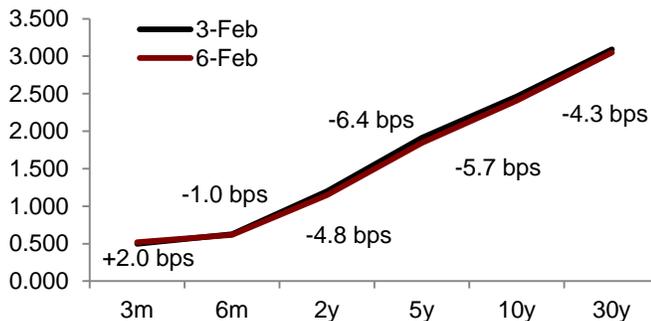
Overseas, investors shifted to safe haven assets amid the rising political uncertainty in the Eurozone. On the local front, the fixed income markets ended flat due to the lack of market-moving events. Meanwhile, the local equities market saw a bit of support due expectations of decent earnings results and Trump's financial deregulation.

- ✓ The **local equities index** climbed 0.94% today with all sectors ending in green, except mining and oil, as uncertainty haunted the industry again with alleged pronouncements from SEC Gina Lopez announcing the closure of 14 mining operations.
- ✓ In the **local fixed income market**, prices of government securities ended flat with a downward bias as investors sold off along the belly of the curve (+19 bps DoD) in anticipation of inflation figures. On average, yields rose by 2.43 bps.

Global Equities

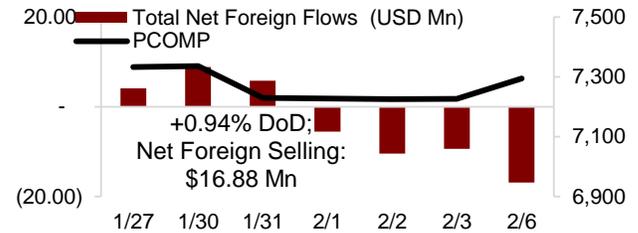


US Treasuries

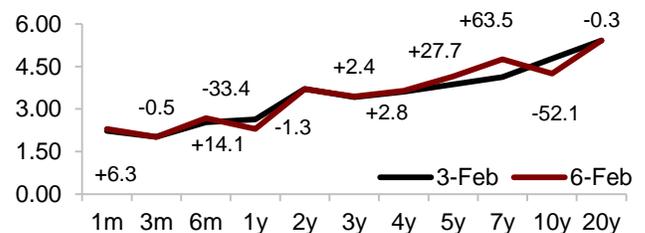


- ✓ The **Philippine peso** strengthened by 0.18%, closing at 49.69, as dollar continued to weaken despite the strong nonfarm payroll results.
- ✓ The **US dollar** strengthened on expectations of continued easy monetary policy in the EU on the back of the heightened geopolitical risks. The DXY index rose 0.05% to 99.915.

PSEi Snapshot



Local Bond Market Movement

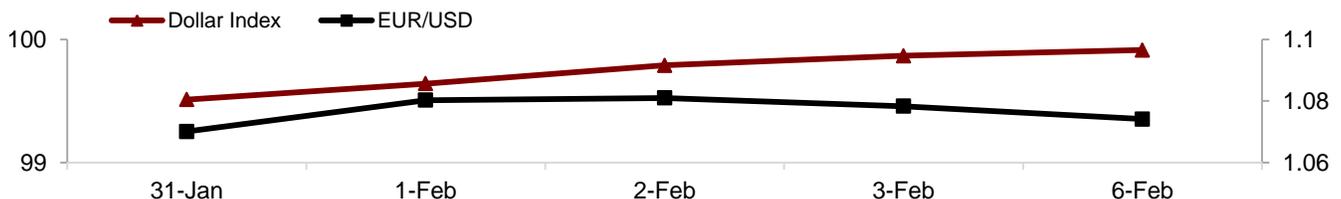


- ✓ After three consecutive sessions of gains, the **S&P 500** closed lower as **US equities** fell following the release of mixed earnings reports.
- ✓ **European equities** were down amid election-related worries. Investors were concerned after German Chancellor Merkel's party fell behind the opposing Social Democrats for the first time since 2010.
- ✓ **Asian equities** closed higher as dampening US expectations drove investors back to Asia.
- ✓ **US Treasuries** ended higher as investors favored safe haven assets amid the rising political uncertainty in the EU. The 2-yr and the 10-yr yields fell to 1.1490% and 2.4077%, respectively.

Foreign Exchange

Pair	Previous Close	Close
USD/PHP	49.7800	49.6900
EUR/USD	1.0783	1.0747

Foreign Exchange



Key Indicators

YIELDS AND PRICES	6-Feb-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.01	-0.00%	-0.02%	0.11%	-0.65%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.30	-0.33%	-0.39%	-0.32%	-0.07%
ROP2021 (Price)	106.30	0.16	0.28	(1.15)	(2.06)
ROP2034 (Price)	133.26	0.88	1.61	(2.07)	2.79
3-Month US Treasury Yield	0.52	0.02%	0.02%	0.01%	0.36%
3-Month German Treasury Bill Yield	(0.84)	-0.02%	0.00%	0.14%	-0.30%
Dubai Crude Oil Spot (\$/bbl)	54.97	0.33%	1.36%	-0.07%	71.09%
Gold Spot (\$/oz)	1,235.41	1.25%	3.33%	5.33%	16.39%

Upcoming Economic Releases

Philippines

Date	Event	Period
2/6/2017	CPI YoY	Jan
2/9/2017	BSP Meeting	Jan

Developed Markets

Date	Country	Event	Period	Prior
2/9/2017	US	Initial Jobless Claims	4-Feb	246K
2/7/2017	US	US Trade Balance	Dec	-US\$45.2 bn
2/12/2017	Japan	GDP YoY	4Q	1.10%

Emerging Markets

Date	Country	Event	Period	Prior
2/9/2017	China	Money Supply M2 YoY	Jan	11.30%
2/9/2017	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

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