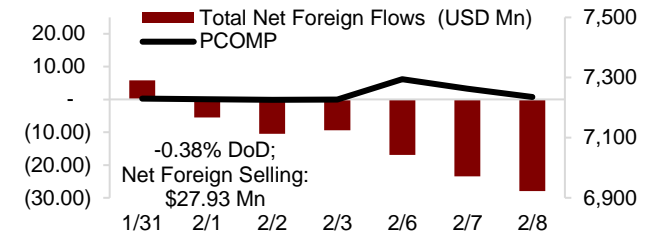


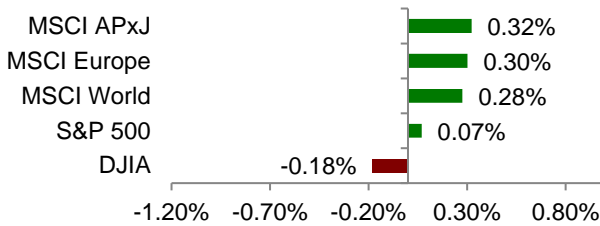
Global assets ended mixed as the Trump rally continued to fade due to his failure to provide specific details on his reforms. On the local front, the fixed income market rose on renewed buying interest while the equities market ended lower as investors await for more corporate earnings results.

- ✓ The **local equities index** closed weaker at 0.38% today as investors took note of new corporate earnings releases for the fourth quarter.
- ✓ In the **local fixed income market**, prices of government securities rose, as investors showed buying interest in the less liquid securities (for accrual income). On average, yields fell by 9.46 bps.

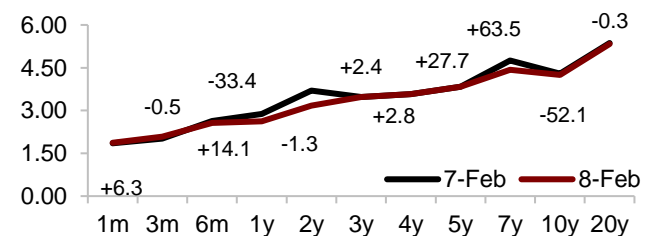
PSEi Snapshot



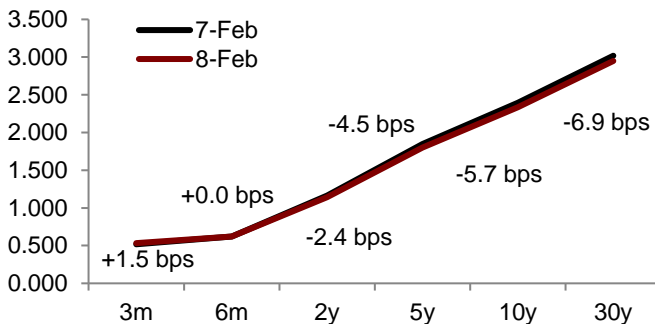
Global Equities



Local Bond Market Movement



US Treasuries



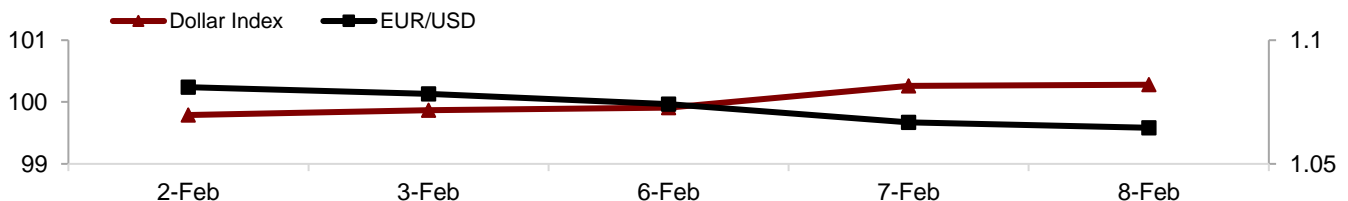
- ✓ **US equities** were mixed after financial stocks dragged the market due to lower yields. Nevertheless, the The S&P 500 rose to 2,294.67.
- ✓ **European equities** closed marginally higher despite a decline in oil shares. In addition to increased supply in oil from the US, political risks in Europe persisted to keep stock market gains in check.
- ✓ **Asian equities** recovered as local market drivers countered any drag from increased US crude inventories.
- ✓ **US Treasuries** rallied as President Trump continued to fail in providing details on his pro-growth reforms. The 2-yr yield fell to 1.1410% while the 10-yr yield declined to 2.3363%.

- ✓ The **Philippine peso** weakened by 0.18%, closing at 49.87, as strong US corporate earnings and hawkish statements from the FED supported continued flight towards dollar assets.
- ✓ The **US dollar** ended flat after advancing during the early part of the day as investors remained wary of the political situation in Europe. The DXY index rose 0.02% to 100.28.

Foreign Exchange

Pair	Type	Value
USD/PHP	Previous Close	49.7800
	Close	49.8700
EUR/USD	Previous Close	1.0668
	Indicative Rate	1.0656

Foreign Exchange



Key Indicators

YIELDS AND PRICES	8-Feb-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.09	0.07%	0.10%	0.18%	-0.58%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.62	-0.25%	-0.04%	-0.00%	0.25%
ROP2021 (Price)	106.49	0.05	0.33	(0.95)	(1.87)
ROP2034 (Price)	134.07	0.47	1.90	(1.26)	3.60
3-Month US Treasury Yield	0.53	0.02%	0.03%	0.02%	0.37%
3-Month German Treasury Bill Yield	(0.81)	0.01%	0.04%	0.17%	-0.27%
Dubai Crude Oil Spot (\$/bbl)	52.87	-1.82%	-0.75%	-3.89%	64.55%
Gold Spot (\$/oz)	1,241.48	0.61%	2.62%	5.85%	16.96%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
2/9/2017	Trade Balance	Dec	-US\$2.6 Bn
2/9/2017	BSP Meeting	9-Feb	3.00%

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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