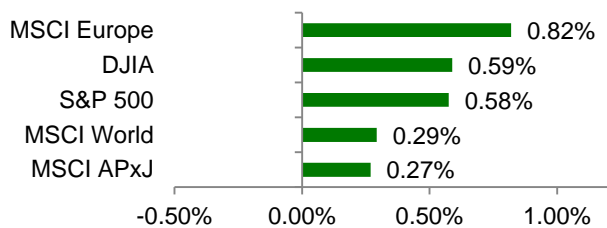


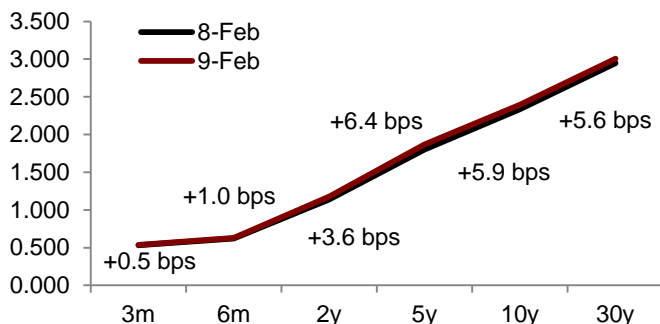
Investors favored the risky assets after President Trump hinted on the timing of his "phenomenal tax plan". On the local front, both the equities and fixed income markets traded sideways as the BSP expectedly kept rates on hold.

- ✓ The **local equities index** closed higher by 0.25% as the BSP kept benchmark interest rates steady, despite inflationary pressures, in line with expectations.
- ✓ In the **local fixed income market**, prices of government securities marginally fell, decoupling from the movement of US treasuries, as investors positioned in response to the BSP meeting. On average, yields rose by 3.79 bps.

Global Equities

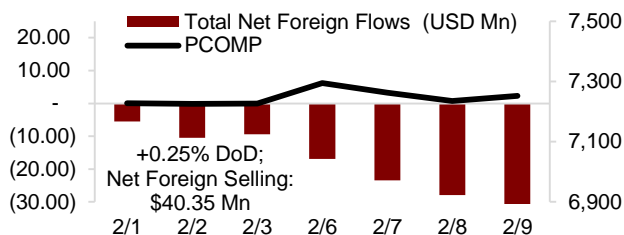


US Treasuries

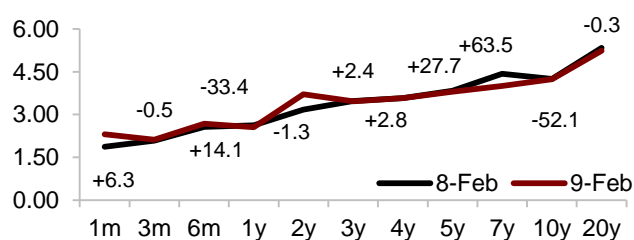


- ✓ The **Philippine peso** remained unchanged, closing at 49.87, as unchanged BSP policy rates were in line with investor expectations.
- ✓ The **US dollar** strengthened due also to the renewed optimism towards the US economy due to Trump's tax pronouncements. The DXY index rose 0.37% to 100.65.

PSEi Snapshot



Local Bond Market Movement

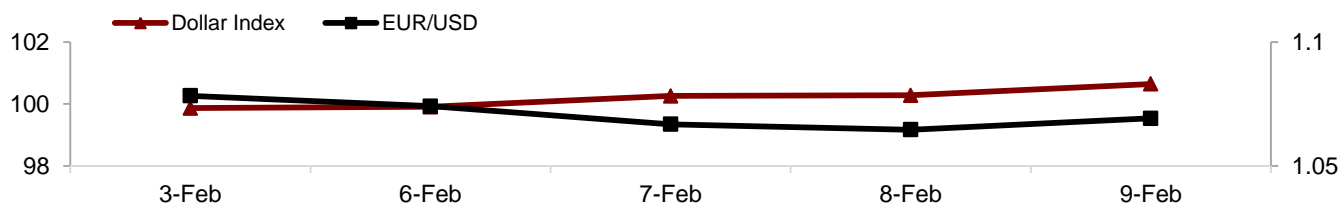


- ✓ **US equities** soared to close at record highs after Trump hinted on his tax plans to be announced in the coming weeks.
- ✓ **European equities** were buoyed up by financial services and pharmaceutical firms after the release of better-than-expected earnings.
- ✓ **Asian equities** closed slightly lower amid a stronger yen which offset a rally in China.
- ✓ **US Treasuries** fell after President Trump teased on his proposed tax plans, favoring the risky assets. The 2-yr yield rose to 1.1772% while the 10-yr yield increased to 2.3948%.

Foreign Exchange

Pair	Type	Rate
USD/PHP	Previous Close	49.8700
	Close	49.8700
EUR/USD	Previous Close	1.0646
	Indicative Rate	1.0708

Foreign Exchange



Key Indicators

YIELDS AND PRICES	9-Feb-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.11	0.03%	-0.24%	0.24%	-0.55%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.55	-0.07%	-0.27%	-0.22%	0.18%
ROP2021 (Price)	106.51	0.02	0.29	(0.82)	(1.85)
ROP2034 (Price)	133.66	(0.40)	1.38	(0.52)	3.20
3-Month US Treasury Yield	0.54	0.01%	0.04%	0.04%	0.38%
3-Month German Treasury Bill Yield	(0.82)	-0.01%	0.03%	0.19%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	53.95	2.04%	-1.69%	0.02%	67.91%
Gold Spot (\$/oz)	1,228.36	-1.06%	1.04%	4.00%	15.73%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
2/9/2017	Trade Balance	Dec	-US\$2.6 Bn
2/14/2017	OFW Remittances	Dec	18.50%

Developed Markets

Date	Country	Event	Period	Prior
2/15/2017	US	CPI YoY	Jan	2.10%
2/16/2017	US	Housing Starts	Jan	1226K
2/12/2017	Japan	GDP YoY	4Q	1.10%

Emerging Markets

Date	Country	Event	Period	Prior
2/13/2017	China	CPI YoY	Jan	2.10%
2/13/2017	China	PPI YoY	Jan	5.50%

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

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