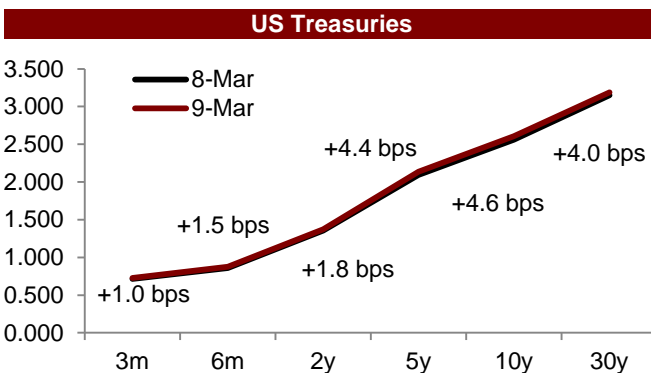
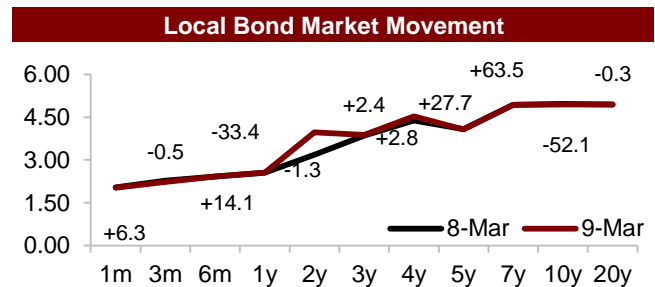
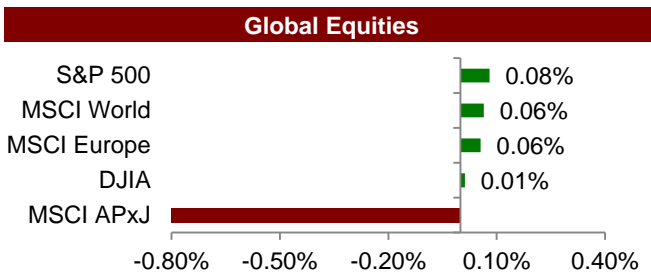
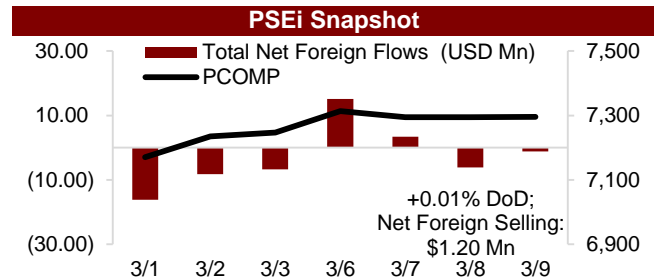


As deflationary pressures eased up, the ECB also became less dovish, causing European equities to rally. US Treasury yields continued to rise while Asian equities fell ahead of key US payrolls data. US equities managed to inch up, given the recovery of oil prices from session lows.

- ✓ The **local equities index** traded sideways, ending only 0.01% higher amidst relatively small movements in securities. Net foreign selling was relatively lower at USD1.2 Mn, tapering off the prior day's selloff.
- ✓ In the **local fixed income market**, yields of government securities rose slightly, trailing the rise in US treasury yields and strong data on ADP overnight. On average, yields went up 7.34bps, mostly driven by the belly of the curve, particularly the 2-year tenor.

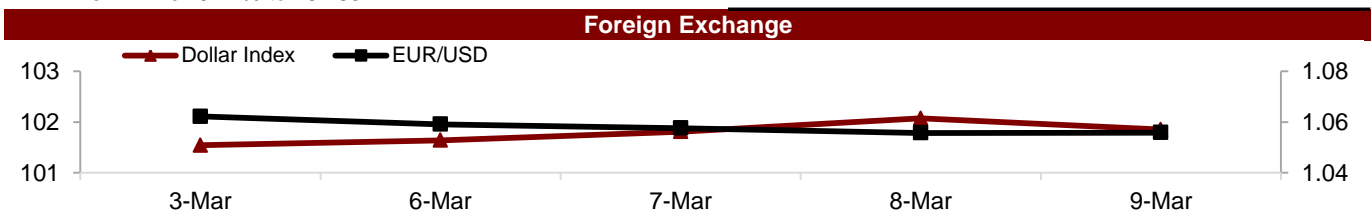


- ✓ **US equities** slightly inched up, even as investors were mostly defensive ahead of the NFP release, as oil prices recovered from session lows. The Dow Jones rose 2.36 points to 20,858.19 while the S&P 500 tickled jumped 1.89 points to 2,364.87.
- ✓ **European equities** continued to recover after ECB President Mario Draghi suggested that deflationary pressures have waned. The MSCI Europe was up 0.06%.
- ✓ **Asian equities** declined as investors exercised caution ahead of key economic and economic policy releases in the US and Europe. The MSCI Asia ex-Japan slipped 1.01%.
- ✓ **US Treasuries** continued their decline, with yields nearing last year's highs, ahead of Friday's report on nonfarm payrolls, and after the ECB President Draghi's cautious stance on inflation. The 2-year yield rose 1.84 bps to 1.3726%, while the 10-year yield rose 4.56 bps to 2.6053%.

Foreign Exchange

USD/PHP	Previous Close	50.340
	Close	50.390
EUR/USD	Previous Close	1.0557
	Indicative Rate	1.0546

- ✓ The **Philippine peso** fell further against the dollar as net foreign selling continued (USD1.2Mn) in the equities market ahead of key economic data and events globally. The peso closed at 50.390.
- ✓ The **US dollar** weakened against the Euro after ECB President Draghi's statements that there was little urgency to implement additional stimulus measures. The DXY fell 0.22% to 101.85.



Key Indicators

YIELDS AND PRICES	9-Mar-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.23	-0.04%	-0.06%	0.12%	-0.44%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.56	0.00%	-0.04%	0.01%	0.19%
ROP2021 (Price)	105.78	(0.26)	(0.59)	(0.73)	(2.58)
ROP2034 (Price)	130.62	(0.91)	(1.86)	(3.04)	0.15
3-Month US Treasury Yield	0.73	0.01%	0.07%	0.19%	0.56%
3-Month German Treasury Bill Yield	(0.87)	0.02%	-0.02%	-0.06%	-0.33%
Dubai Crude Oil Spot (\$/bbl)	51.84	-3.80%	-4.95%	-3.91%	61.34%
Gold Spot (\$/oz)	1,201.17	-0.59%	-2.68%	-2.21%	13.17%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
3/10/2017	Exports and Imports YoY	Jan	4.5% / 19.1%
3/14/2017	Unemployment Rate	Jan	4.70%

Developed Markets

Date	Country	Event	Period	Prior
3/10/2017	US	Change in Nonfarm Payrolls	Feb	227k
3/14/2017	EU	GDP QoQ and YoY	4Q	0.7% / 3.0%
3/12/2017	Japan	Producer Price Index (PPI) MoM and YoY	Feb	0.6% / 0.5%

Emerging Markets

Date	Country	Event	Period	Prior
3/13/2017	China	Fixed Assets Ex Rural YTD YoY	Feb	8.1%
3/15/2017	Indo	Central Bank 7-Day Repo Rate	16-Mar	4.8%
3/10/2017	India	Industrial Production YoY	Jan	0.4%

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

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