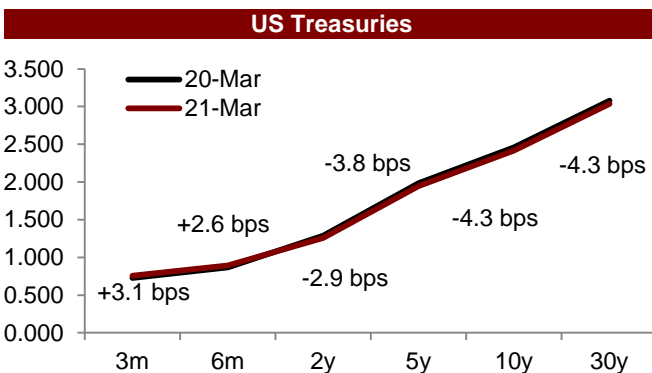
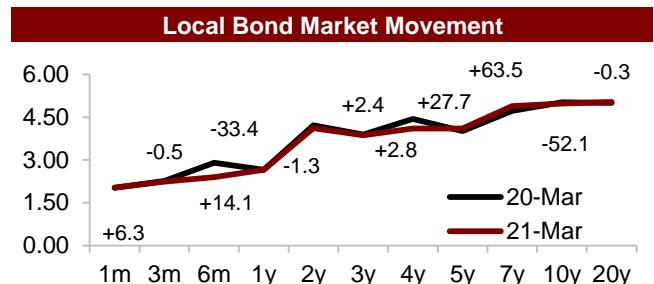
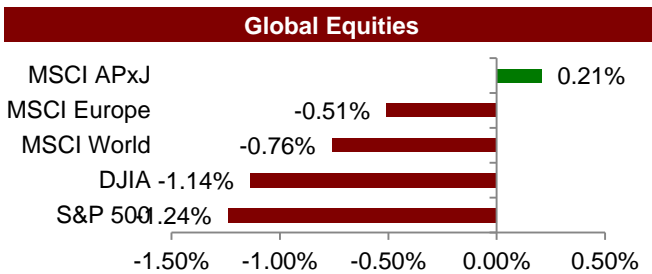
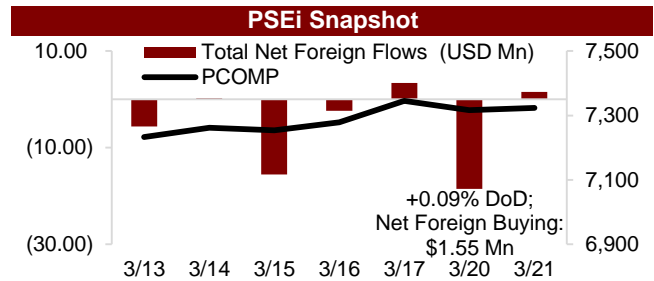


Asian equities outperformed US and European stocks as uncertainties on policies and politics took center stage. US Treasury yields and the DXY plummeted on growing concerns that the pro-growth policies of US President Trump will not be passed in Congress.

- ✓ The **local equities index** rose by 0.09%, closing at 7,323.31, given the Php77.8Mn net foreign buying, and bargain-hunting of YTD laggards such as GTCAP.
- ✓ In the **local fixed income market**, prices rose due to a decline in short-term yields of 13.0 bps, as investors continue responding to the dovish Fed hike last week. On average, yields fell 5.97 bps.

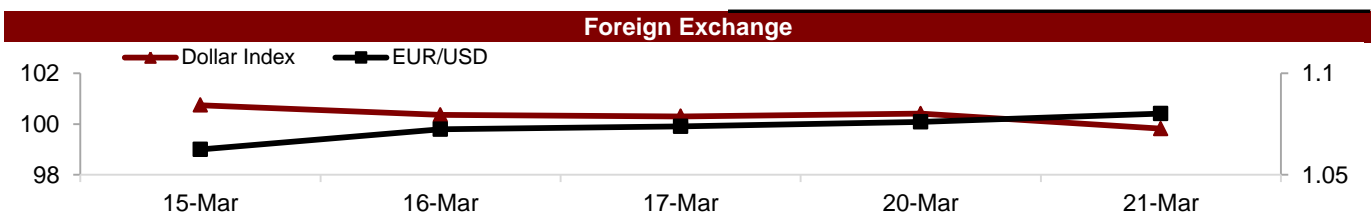


- ✓ **US stocks** logged their worst decline in several months as investors re-evaluate expectations of the new administration's policies and reforms. Financials were the most sold-down as investors unwound this consensus trade. The S&P 500 ended 29.45 points lower to 2,344.02. The Dow Jones was down 237.85 points to 20,668.01.
- ✓ **European shares** also declined as risk-off sentiments from heightening political uncertainty abounds. The MSCI Europe lost 0.51%.
- ✓ **Asian shares** were mostly up, led by South Korean stocks on optimism ascribed to the new government. The MSCI Asia ex-Japan was up slightly, 0.21.
- ✓ **US Treasuries** rallied amid risk-off sentiment following the largest decline in US equities in 2017 as the deflation trades that bolstered the dollar and Treasury yields faltered on growing concern pro-growth policies will not be passed in Congress. On average, US Treasury yields fell 1.61 bps. 10-year yields lost 4.32 bps to 2.4175%

- ✓ The **Philippine peso** depreciated against the Dollar, closing at 50.185, on sentiment that the recent weakening of the dollar may have been overdone.
- ✓ The **US dollar** weakened as investors pulled back on US equities amid growing fears that Trump's pro-growth policies will not be passed in Congress. As such, the greenback fell vis-a-vis other currencies. The DXY lost 0.59% to 99.813.

Foreign Exchange

USD/PHP	Previous Close	50.090
	Close	50.185
EUR/USD	Previous Close	1.0760
	Indicative Rate	1.0793



Key Indicators

YIELDS AND PRICES	21-Mar-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.25	-0.02%	-0.03%	0.01%	-0.42%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.66	0.01%	0.00%	0.09%	0.29%
ROP2021 (Price)	106.00	0.04	0.49	(0.47)	(2.36)
ROP2034 (Price)	131.86	0.01	1.64	(0.98)	1.39
3-Month US Treasury Yield	0.76	0.03%	-0.01%	0.24%	0.59%
3-Month German Treasury Bill Yield	(0.89)	0.03%	0.03%	-0.05%	-0.35%
Dubai Crude Oil Spot (\$/bbl)	50.40	1.74%	0.54%	-7.86%	56.86%
Gold Spot (\$/oz)	1,244.57	0.83%	3.80%	0.72%	17.26%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
3/23/2017	BSP Overnight Borrowing / Standing Overnight Deposit Rate	N/A	3.0% / 2.5%
3/31/2017	Bank Lending YoY	Feb	16.2%

Developed Markets

Date	Country	Event	Period	Prior
3/22/2017	US	MBA Mortgage Applications	17-Mar	3.1%
3/22/2017	EU	GDP QoQ and YoY	4Q	0.7% / 3.0%
3/22/2017	Japan	Exports / Imports YoY	Feb	1.3% / 8.5%

Emerging Markets

Date	Country	Event	Period	Prior
3/26/2017	China	Industrial Profits YoY	Feb	2.3%
3/31/2017	Indo	Money Supply M1 and M2 YoY	Feb	13.9% / 9.7%
3/20 - 3/31	India	Current Account Balance	4Q	-USD 3.4 Bn

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

www.bpiassetmanagement.com

