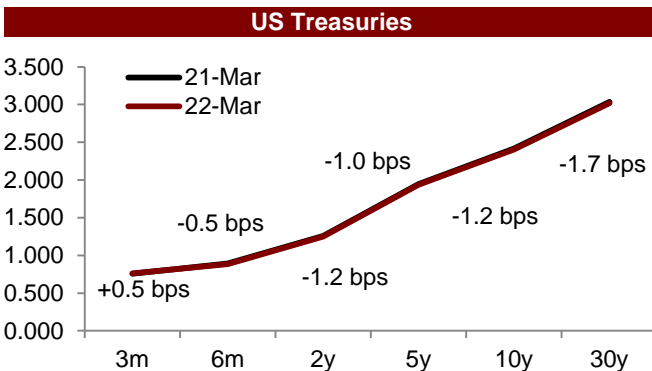
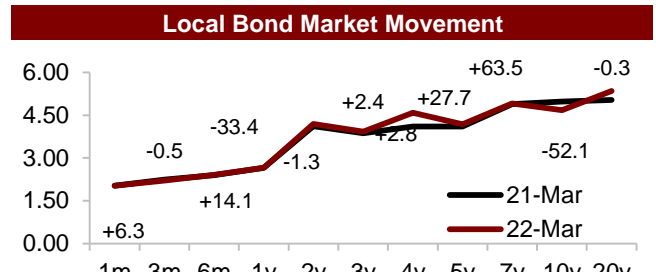
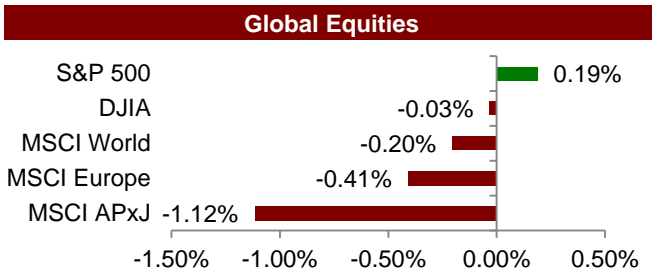
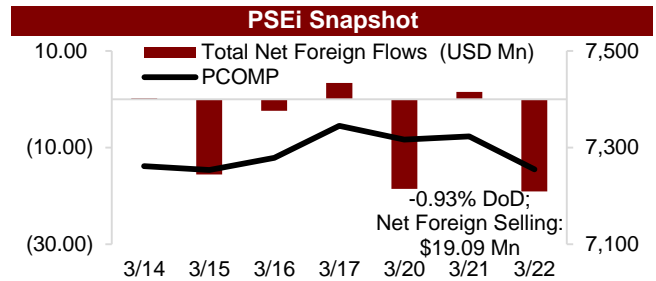


Equity markets were mostly driven downward by uncertainty over the outcome of the US healthcare bill vote. US Treasuries improved slightly, while the DXY plummeted on growing concerns that the implementation of US President Trump's pro-growth policies may be delayed.

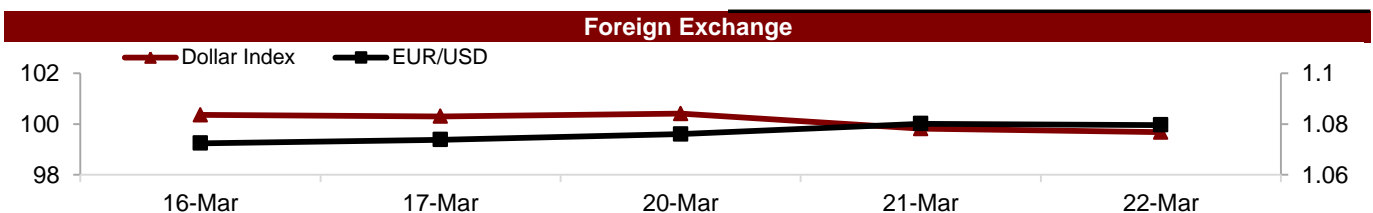
- ✓ The **local equities** index fell by 0.93%, closing at 7,254.93 due to a large net foreign selling of \$19.06 mn. This was in line with a global selloff of equities due to continued uncertainty over Trump policies.
- ✓ In the **local fixed income market**, prices fell as investors take defensive positions ahead of the BSP meeting on March 23. On average, yields rose by 5.77 bps, driven by the belly which rose 14.0 bps.



- ✓ **US stocks** ended mixed, as investors moved ahead of the vote on the US healthcare bill, highlighting market jitters over the Trump reform agenda. The S&P 500 rebounded 4.43 points to 2,348.45 on bargain-hunting. The Dow Jones ended marginally lower by 6.71 points to 20,661.30 as tech gains were erased by losses in oil.
- ✓ **European shares** declined, as market players tracked movements in US equities amid concerns that Trump's pro-growth policies may suffer delays. The MSCI Europe lost 0.41%.
- ✓ **Asian shares** all ended in the red, as market players took the opportunity to book profits ahead of the US healthcare bill vote-- which US President Trump supported. The MSCI APxJ lost 1.12%.
- ✓ **US Treasuries** rallied, on growing concerns that the healthcare bill will not be passed by Congress-- potentially implying that Trump's pro-growth policies may suffer significant delays. On average, US Treasury yields fell 0.86 bps. 10-year yields lost 1.25 bps to 2.4950%.

- ✓ The **Philippine peso** weakened against the dollar, closing at 50.320 as the BSP rate decision nears. Economists expect overnight borrowing rates to be left unchanged at 3.00%.
- ✓ The **US dollar** declined amid fears over Trump's reform agenda, in particular, the ability of Trump to pass effective reforms. As such, the greenback fell vis-a-vis other currencies. The DXY lost 0.14% to 99.617.

Pair	Previous Close	Close	Indicative Rate
USD/PHP	50.185	50.320	
EUR/USD	1.0801	1.0792	



Key Indicators

YIELDS AND PRICES	22-Mar-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.21	-0.04%	-0.08%	-0.02%	-0.46%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.66	0.00%	0.03%	0.06%	0.29%
ROP2021 (Price)	106.06	0.06	0.51	(0.39)	(2.30)
ROP2034 (Price)	132.29	0.43	2.04	(0.54)	1.83
3-Month US Treasury Yield	0.76	0.01%	0.04%	0.25%	0.60%
3-Month German Treasury Bill Yield	(0.94)	-0.05%	-0.03%	-0.11%	-0.40%
Dubai Crude Oil Spot (\$/bbl)	48.54	-3.69%	-2.67%	-10.24%	51.07%
Gold Spot (\$/oz)	1,248.54	0.32%	2.37%	0.89%	17.63%

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%
3/24/2017	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

