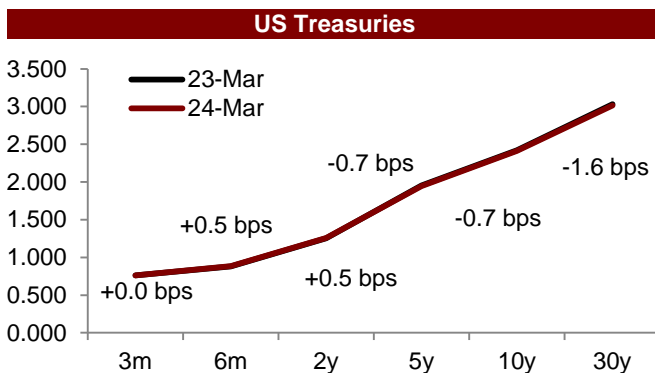
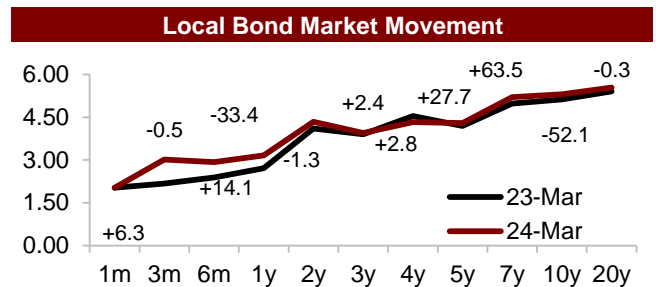
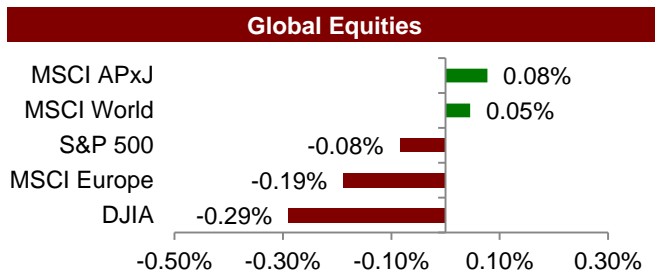
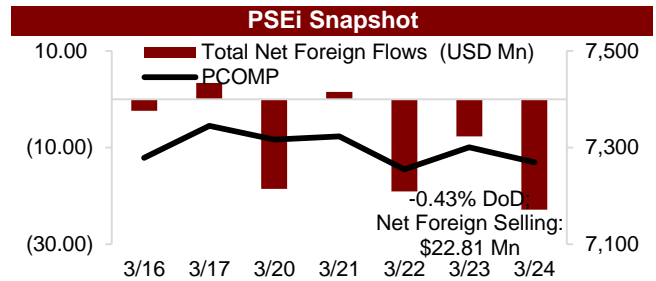


Global equity markets were mixed, as investors took a cautious stance amidst heightened volatility following the US healthcare vote withdrawal. Likewise, US Treasury yields dipped slightly and the DXY fell due to uncertainty in US politics.

- ✓ The **local equities index** declined by 0.43%, closing at 7,269.62, primarily driven by the highest net foreign selling since December 2016. Capital outflow is expected by the BSP given its decision to maintain interest rates.
- ✓ In the **local fixed income market**, prices dropped, with yield rising an average of 20.94bps, as investors look for higher yields elsewhere, following the BSP announcement to maintain the current interest rate policy.

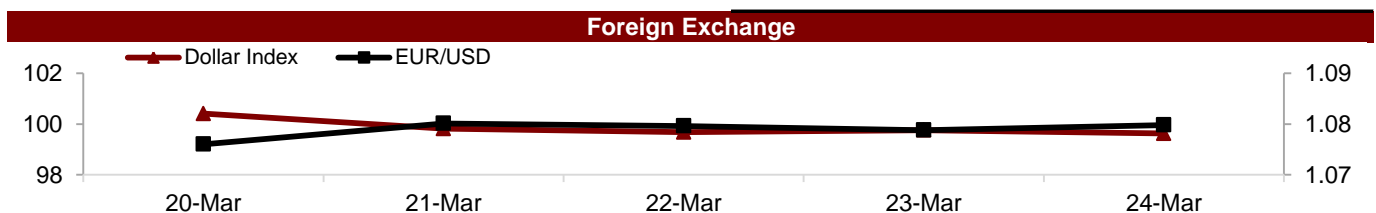


- ✓ **US stocks** slipped following the withdrawal of the Republican healthcare vote, underscoring concerns on the likelihood of Trump's pro-growth policies being approved by Congress. The S&P 500 declined 0.08% to 2,343.98, while the DJIA tumbled 0.29% to 20,596.72.
- ✓ **European shares** edged lower despite strong March PMI figures out of France, Germany, and the Eurozone as market players adopted a flight-to-safety stance ahead of the US healthcare vote. The MSCI Europe lost 0.19%.
- ✓ **Asian equities** traded sideways with an upward bias on bargain hunting ahead of movements in US politics. The MSCI APxJ gained 0.08%.
- ✓ **US Treasuries** ended slightly higher as market players favored relatively safer assets amid growing concerns over the viability of the reflation trade brought about by Trump's pro-growth policies. On average, US Treasury yields fell 0.33 bps, and 10-year yields lost 0.71 bps to 2.4123%.

Foreign Exchange

USD/PHP	Previous Close	50.325
	Close	50.325
EUR/USD	Previous Close	1.0788
	Indicative Rate	1.0802

- ✓ The **Philippine peso** continued to trade sideways against the dollar, ending at 50.325 as the BSP assured investors that it will manage inflation amid capital outflows.
- ✓ The **US dollar** weakened against its major trading peers, as the DXY tracked weakness in US equities and Treasury yields. The DXY slid 0.13% to 99.627.



Key Indicators

YIELDS AND PRICES	24-Mar-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	3.01	0.84%	0.74%	0.59%	0.35%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.16	0.46%	0.11%	0.60%	0.79%
ROP2021 (Price)	106.12	0.01	0.17	(0.46)	(2.24)
ROP2034 (Price)	132.29	0.00	1.01	(0.87)	1.82
3-Month US Treasury Yield	0.76	0.00%	0.04%	0.26%	0.60%
3-Month German Treasury Bill Yield	(0.96)	-0.01%	-0.04%	-0.08%	-0.42%
Dubai Crude Oil Spot (\$/bbl)	49.21	-0.14%	-1.99%	-9.44%	53.16%
Gold Spot (\$/oz)	1,243.45	-0.15%	1.15%	-1.09%	17.15%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
3/31/2017	Bank Lending YoY	Feb	16.2%
3/31/2017	Money Supply M3 SRF YoY	Feb	12.4%

Developed Markets

Date	Country	Event	Period	Prior
3/28/2017	US	Wholesale Inventories MoM	Feb P	-0.2%
3/29/2017	EU	GDP QoQ and YoY	4Q	0.7% / 3.0%
3/30/2017	Japan	Jobless Rate	Feb	3.00%

Emerging Markets

Date	Country	Event	Period	Prior
3/30/2017	China	Manufacturing PMI	Mar	51.6
3/31/2017	Indo	Money Supply M1 and M2 YoY	Feb	13.9% / 9.7%
4/3/2017	India	Nikkei India PMI Mfg	Mar	50.7

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

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