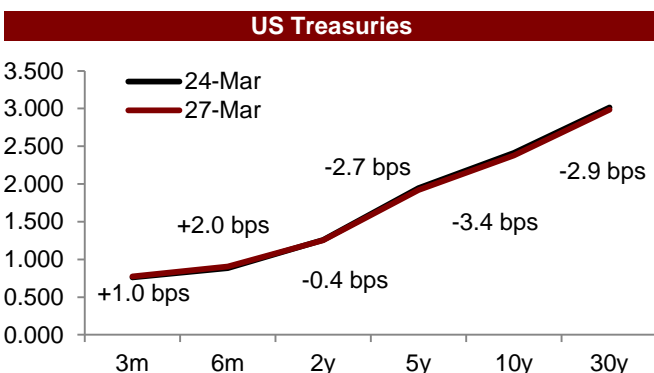
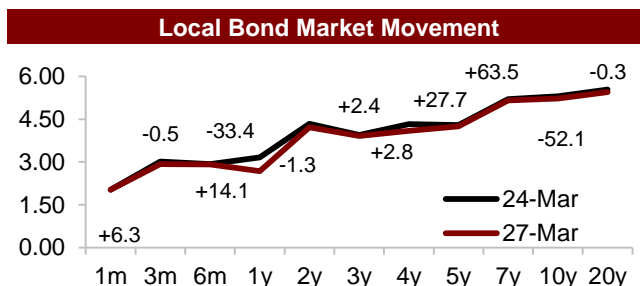
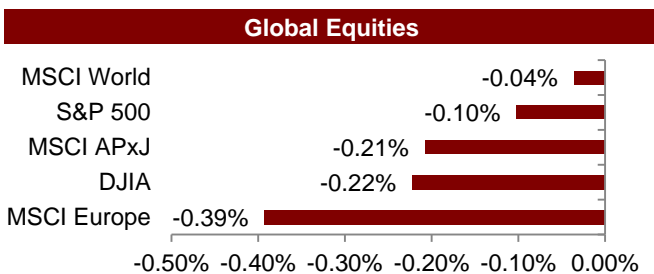
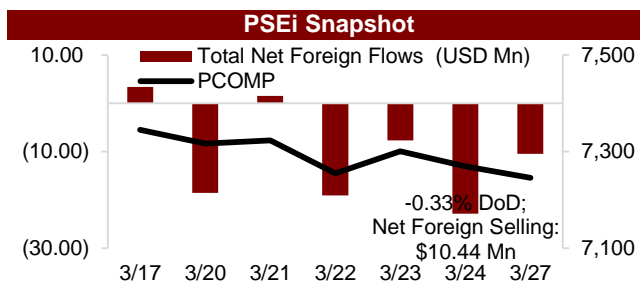


Global sentiment turned negative following key events in US politics, sparking fears that the reflation trade story may not materialize. Global equities ended in the red while US Treasury yields and the Dollar Index slipped.

- ✓ The **local equities index** decreased by 0.325%, closing at 7,245.97, dragged down by a 0.80% decline in the holding firms sector. Net foreign selling slipped 0.33% to \$10.44 Mn.
- ✓ In the **local fixed income market**, prices increased, with yields falling an average of 10.29 bps, as investors adopted a risk-off stance amid global political uncertainty. Short-term yields fell the most, decreasing by 14.9 bps.

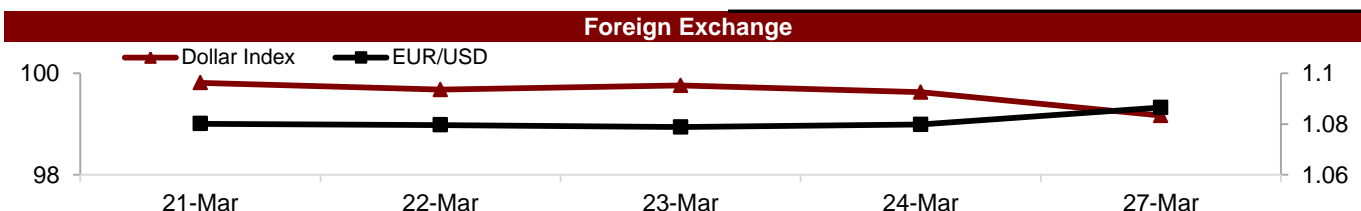


- ✓ **US stocks** marginally fell as investors were spooked following the withdrawal of the Healthcare bill. US shares were able to pare losses from the morning session trading. The S&P 500 declined 0.10% to 2,341.59, while the DJIA tumbled 0.22% to 20,550.98.
- ✓ **European shares** fell, tracking US markets amid the failure of the passing of the US healthcare bill as investors are wary of the policy implementation of the Trump administration. MSCI Europe was down 0.39%.
- ✓ **Asian equity** markets declined as investors took caution on the reflation trade on growing uncertainty about Trump's ability to pass his pro-growth reforms. The MSCI APxJ closed 0.21% lower.
- ✓ **US Treasury yields** declined, as investors favored less risky assets following Friday's US health care bill vote. On average, yields fell 1.05 bps, and 10-year yields lost 3.41 bps to 2.3782%.

- ✓ The **Philippine peso** strengthened against the dollar following the failure to repeal the US Health Bill, highlighting potential weakness in Trump's ability to push through his fiscal and tax plans. The USD/PHP closed at 50.120.
- ✓ The **US dollar** depreciated vis-a-vis other major trading peers, as market players continued to digest the potential implications of the US health care vote. The DXY slipped 0.46% to 99.166.

Foreign Exchange

USD/PHP	Previous Close	50.325
	Close	50.120
EUR/USD	Previous Close	1.0798
	Indicative Rate	1.0855



Key Indicators

YIELDS AND PRICES	27-Mar-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.92	-0.09%	0.66%	0.44%	0.25%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.68	-0.49%	0.02%	0.12%	0.30%
ROP2021 (Price)	106.25	0.13	0.29	(0.46)	(2.11)
ROP2034 (Price)	132.93	0.64	1.08	(0.47)	2.47
3-Month US Treasury Yield	0.77	0.01%	0.05%	0.27%	0.61%
3-Month German Treasury Bill Yield	(0.96)	0.00%	-0.04%	-0.10%	-0.42%
Dubai Crude Oil Spot (\$/bbl)	49.08	-0.26%	-0.93%	-10.39%	52.75%
Gold Spot (\$/oz)	1,254.36	0.88%	1.62%	0.13%	18.18%

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

www.bpiassetmanagement.com

