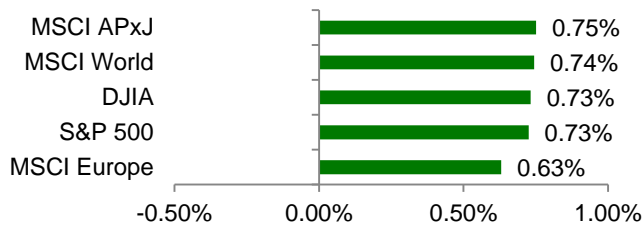


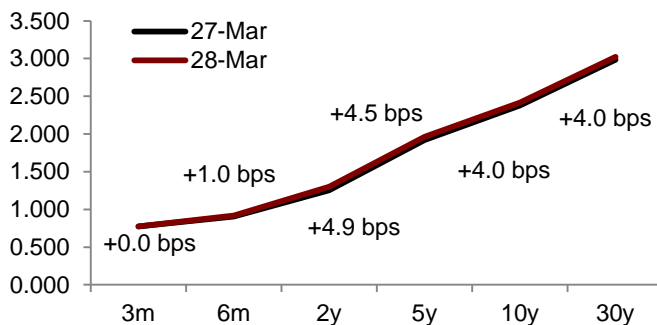
Global equity markets were up as investors reacted to increased optimism about the economic prospects of the US and a rise in oil prices. US Treasury yields and the US Dollar gained on the back of the prospect of higher inflation.

- ✓ The **local equities index** rose by 1.180%, climbing to 7,331.46 after Monday's knee-jerk reaction to the failure of Trump's healthcare bill. Foreign investors net buying was at USD1.06 mn, capping the four days of net selling.
- ✓ In the **local fixed income** market, yields rose an average of 13.25 bps, as investors reacted to the release of 3-year RTBs with higher-than-expected coupons. The belly of the curve led the increase, closing 17.8 bps higher.

Global Equities

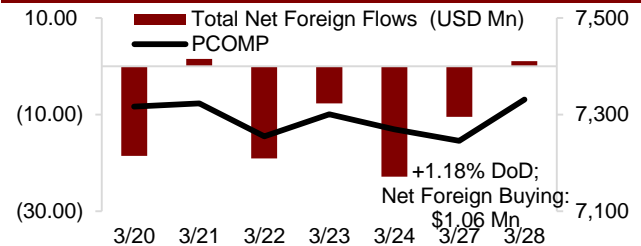


US Treasuries

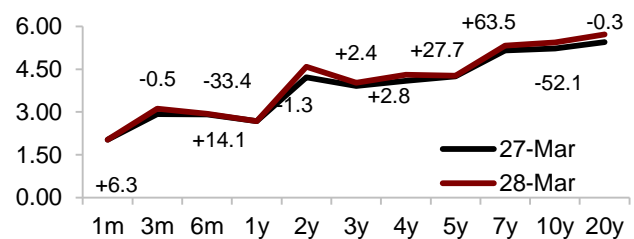


- ✓ The **Philippine peso** traded sideways against the dollar, as investors maintained optimism over future Trump policies such as tax reform and deregulation. The USD/PHP closed at 50.180.
- ✓ The **US dollar** appreciated in relation to its major peers on the back of US equity and Treasury yield gains on an improved economic outlook. The DXY gained 0.55% to 99.712.

PSEi Snapshot



Local Bond Market Movement

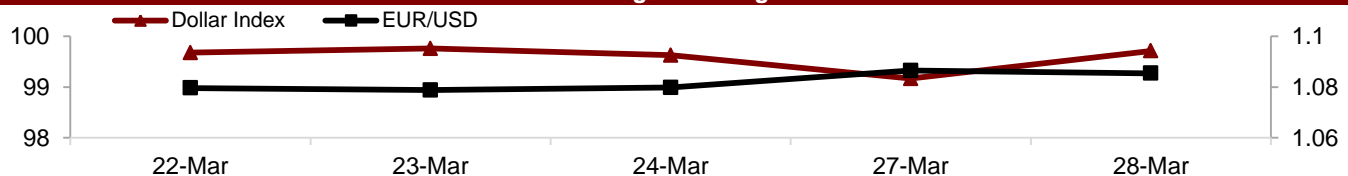


- ✓ **US stocks** finished higher as investors reacted to a 16-year peak in consumer confidence and a 3-year high in house prices. Both the S&P 500 and the DJIA were up 73 bps, with the S&P 500 closing at 2,358.57 and the DJIA ending at 20,701.50.
- ✓ **European equities** ended higher as worries over the ability of the Trump administration to increase infrastructure spending and cut red tape that were sparked by the withdrawal of the US Republican healthcare bill started to ease. MSCI Europe was up 0.63%, ending at 127.67.
- ✓ **Asian stocks** rebounded, tracking a rise in oil prices together with improving macroeconomic data in the US and Europe. The MSCI APxJ rose 0.75% to 481.31.
- ✓ **US Treasury yields** were up as upbeat economic data raised inflation expectations, dulling appetites for bonds. On average, yields rose 3.07 bps, with 10-year yields gaining 3.96 bps to 2.4178%.

Foreign Exchange

| | | |
|---------|-----------------|--------|
| USD/PHP | Previous Close | 50.120 |
| | Close | 50.180 |
| EUR/USD | Previous Close | 1.0865 |
| | Indicative Rate | 1.0859 |

Foreign Exchange



Key Indicators

| YIELDS AND PRICES | 28-Mar-17 | DoD | WoW | MoM | YTD |
|---|-----------|--------|--------|--------|--------|
| 91-Day Philippine Treasury Bill Yield (PDST-R2) | 3.12 | 0.20% | 0.88% | 0.81% | 0.45% |
| 1-Year Philippine Treasury Bill Yield (PDST-R2) | 2.67 | -0.00% | 0.01% | -0.08% | 0.30% |
| ROP2021 (Price) | 106.31 | 0.01 | 0.31 | (0.34) | (2.05) |
| ROP2034 (Price) | 132.73 | (0.20) | 0.87 | (0.49) | 2.27 |
| 3-Month US Treasury Yield | 0.77 | 0.00% | 0.02% | 0.17% | 0.61% |
| 3-Month German Treasury Bill Yield | (0.95) | 0.00% | -0.06% | -0.09% | -0.41% |
| Dubai Crude Oil Spot (\$/bbl) | 49.51 | 0.88% | -1.77% | -8.57% | 54.09% |
| Gold Spot (\$/oz) | 1,251.88 | -0.20% | 0.59% | 0.28% | 17.94% |

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 |
|-----------|---------|---|--------|-------------|
| 3/29/2017 | US | MBA US US Mortgage Market Index Weekly % Change SA Old Meth | 24-Mar | -2.7% |
| 3/30/2017 | 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

