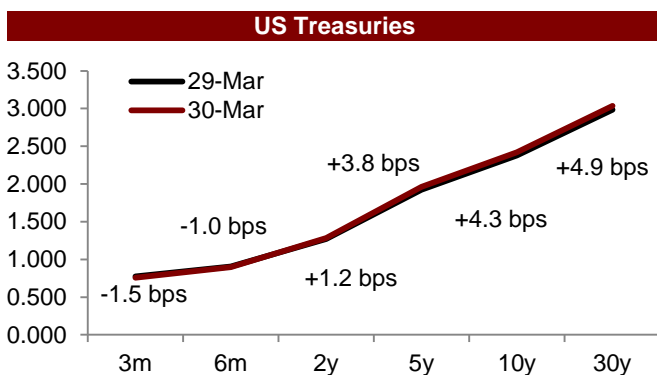
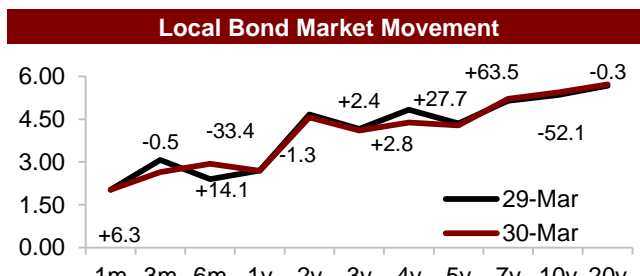
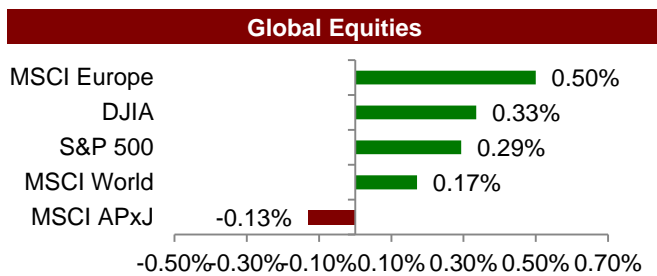
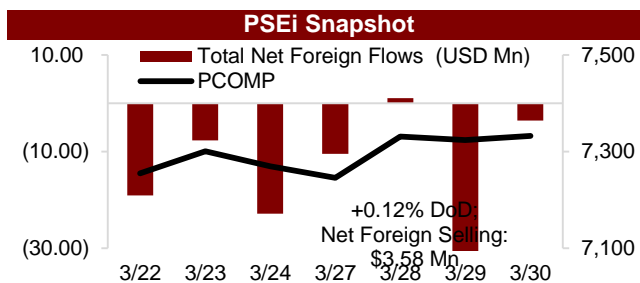


**Most global equities ended higher, as strength from the US buoyed markets following a positive revision to fourth-quarter GDP growth in 2016. Meanwhile, the US dollar gained on the back of divergent monetary policy, and US Treasury yields went up as investors took positions in equities.**

- ✓ The **local equities index** traded 12 bps higher, as Fitch announced its decision to maintain the country's investment grade (BBB-; outlook positive) rating. Industrials led the rise, with the market closing at 7,332.59.
- ✓ In the **local fixed income market**, yields were almost unchanged (falling 3.11 bps) on average as the market traded sideways amid Fitch maintaining its positive outlook on the economy.

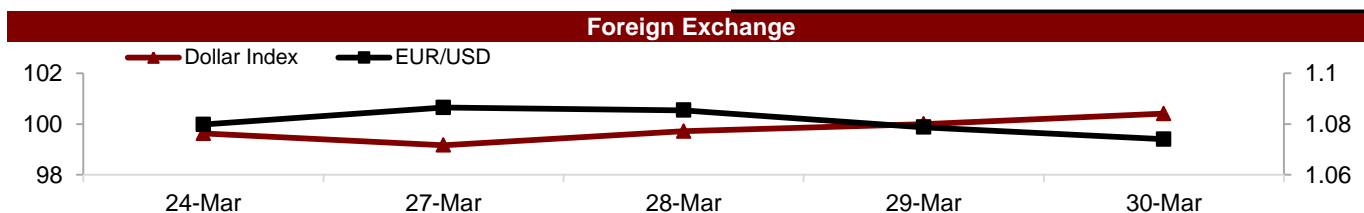


- ✓ **US stocks** traded up, led by financials, as hawkish Fed comments and a positive revision to quarterly GDP drove optimism for US bank asset yields and growth, respectively. The S&P 500 was up 0.29%, closing at 2,368.06, while the DJIA climbed 0.33% to 20,728.00.
- ✓ **European equities** rose for the third straight day led by energy producers and miners, continuing its longest winning streak in two weeks as investors gravitate towards cheaper valuations in Europe. MSCI Europe was up 0.5%.
- ✓ **Asian equity** markets edged lower amid hawkish comments by the Fed. A selloff in Chinese shares led the decline, as the People's Bank of China's decision to refrain from open market operations for a fifth consecutive day strained liquidity. The MSCI APxJ fell 13 bps, closing at 482.55.
- ✓ **US Treasury yields** rose, as an upward revision to US fourth-quarter 2016 GDP growth reflected unspectacular growth. Yields were up an average of 1.94 bps, with 10-year yields up 4.32 bps to 2.420.

- ✓ The **Philippine peso** tracked currency weakness in the region led by the South Korean won due to an upward trending DXY, as investors remain hopeful on President Trump passing the tax reform.
- ✓ The **US dollar** continued its climb as investors shifted focus to divergent monetary policy between the Fed and the ECB. The DXY rose 0.41% to 100.41.

### Foreign Exchange

|         |                 |        |
|---------|-----------------|--------|
| USD/PHP | Previous Close  | 50.185 |
|         | Close           | 50.200 |
| EUR/USD | Previous Close  | 1.0787 |
|         | Indicative Rate | 1.0741 |



## Key Indicators

| YIELDS AND PRICES                               | 30-Mar-17 | DoD    | WoW    | MoM    | YTD    |
|---|-----------|--------|--------|--------|--------|
| 91-Day Philippine Treasury Bill Yield (PDST-R2) | 2.64      | -0.43% | 0.47%  | 0.35%  | -0.02% |
| 1-Year Philippine Treasury Bill Yield (PDST-R2) | 2.69      | -0.00% | -0.02% | 0.09%  | 0.32%  |
| ROP2021 (Price)                                 | 106.27    | 0.00   | 0.17   | (0.10) | (2.09) |
| ROP2034 (Price)                                 | 133.25    | 0.40   | 0.97   | 0.77   | 2.78   |
| 3-Month US Treasury Yield                       | 0.76      | -0.02% | -0.01% | 0.10%  | 0.59%  |
| 3-Month German Treasury Bill Yield              | (0.94)    | 0.00%  | 0.00%  | -0.09% | -0.40% |
| Dubai Crude Oil Spot (\$/bbl)                   | 50.48     | 0.68%  | 2.44%  | -7.44% | 57.11% |
| Gold Spot (\$/oz)                               | 1,242.67  | -0.87% | -0.21% | 0.68%  | 17.08% |

## 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       |
|-----------|---------|------------------------------|--------|-------------|
| 3/31/2017 | US      | Personal Income              | Feb    | 0.4%        |
| 3/31/2017 | EU      | GDP QoQ and YoY              | 4Q     | 0.7% / 3.0% |
| 4/2/2017  | Japan   | Nikkei Japan PMI Mfg (Final) | Mar    | 5260.0%     |

### Emerging Markets

| Date      | Country | Event                      | Period | Prior        |
|-----------|---------|----------------------------|--------|--------------|
| 4/2/2017  | China   | Caixin China PMI MFG       | Mar    | 51.7         |
| 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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