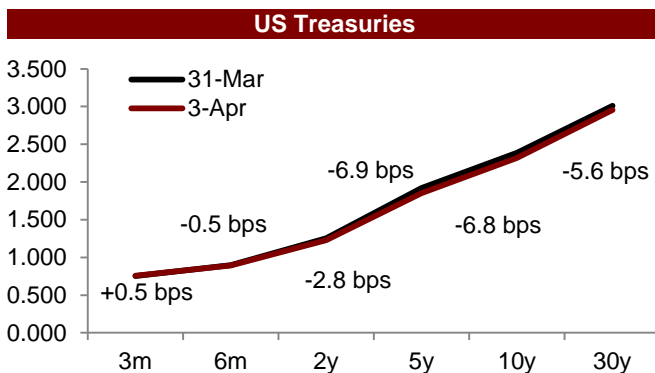
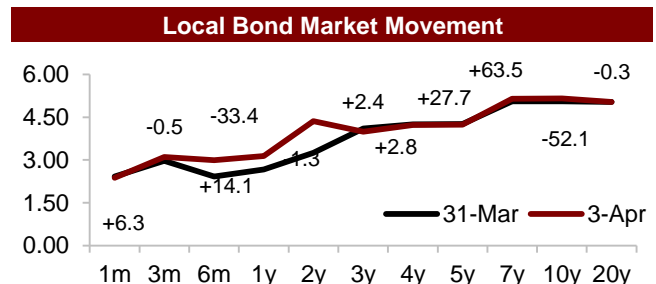
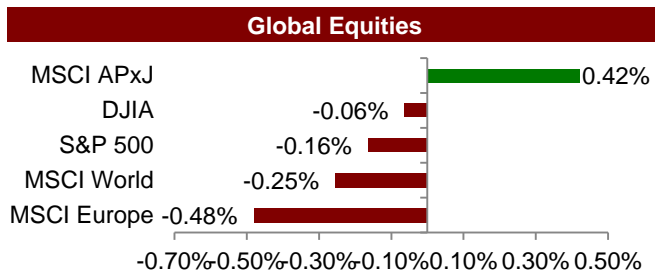
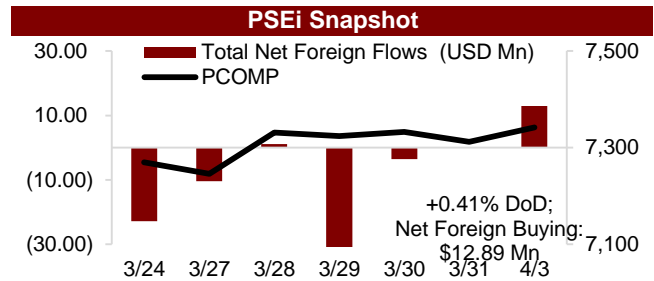


Global equities ended the day mixed, as investors in the US retreated on the back of weaker than expected economic data while Asian markets rallied, supported by reform-oriented policies across the region. Meanwhile, the US Dollar traded flat and US Treasuries continued gains as investors flocked toward safe haven assets in response to the incident in Russia.

- ✓ The **local equities index** started 2Q 2016 on a positive note, with investors optimistic about the upcoming meeting between the US and Chinese leaders. The PSEi was up 0.40% to close at 7,341.65.
- ✓ In the **local fixed income market**, yields rose, particularly in the short-end of the curve, on the back of a strong local bank lending print (+19% YoY), stoking concerns of inflationary pressures. Yields rose 19 bps on average, with the short-end up 29 bps.

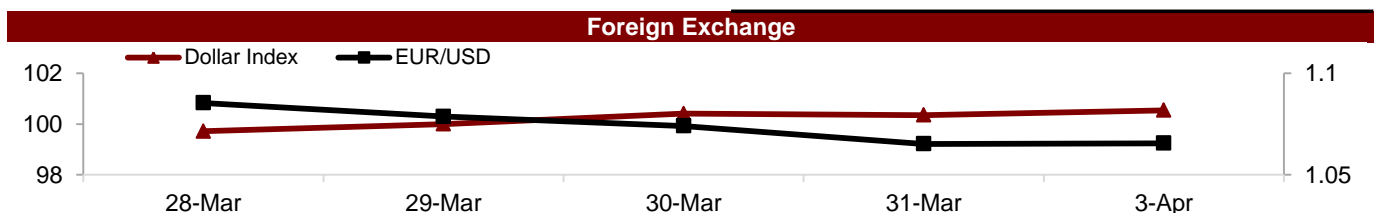


- ✓ **US equity markets** marked a weak start to the quarter, as lower-than-expected automobile sales and lackluster economic data highlighted concerns that quarterly corporate earnings may not reach expectations. The DJIA slid 6 bps, closing at 20,650.21, while the S&P 500 lost 16 bps, ending the day at 2,358.84.
- ✓ **European equities** were down as investors took profits following the release of strong manufacturing data. The IHS Markit Eurozone PMI stood at 56.2 in March, its highest level since April 2011. MSCI Europe slipped 0.48%.
- ✓ **Asian equities** closed marginally higher, led by India (+0.94% DoD) on the back of their reform story as four GST bills passed in the Lok Sabha. The MSCI APxJ ended 0.42% higher, closing at 481.35.
- ✓ **US Treasury yields** fell as investors sought safe haven assets after the blast incident in St. Petersburg, Russia that killed at least 11 people. On average, yields slid 3.7 bps, with 10-year yields slipping 6.8 bps to 2.3193.

- ✓ The **Philippine peso**, together with the South Korean won, led gains in EM currencies amid a USD selloff sparked by dovish comments from NY Federal Reserve President William Dudley on Friday. The USDPHP closed at 50.120.
- ✓ The **US dollar** traded flat with a slight upward bias as investors shrugged off concerns regarding the Trump administration's ability to deliver reforms and weaker than expected economic data. The DXY closed 19 bps higher, ending at 100.54.

Foreign Exchange

USD/PHP	Previous Close	50.160
	Close	50.120
EUR/USD	Previous Close	1.0652
	Indicative Rate	1.0672



Key Indicators

YIELDS AND PRICES	3-Apr-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	3.11	0.14%	0.19%	0.79%	0.44%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.14	0.47%	0.47%	0.51%	0.77%
ROP2021 (Price)	106.32	0.08	0.02	0.07	(2.04)
ROP2034 (Price)	132.95	0.15	0.02	0.61	2.48
3-Month US Treasury Yield	0.76	0.01%	-0.02%	0.06%	0.59%
3-Month German Treasury Bill Yield	(0.82)	-0.00%	0.14%	0.04%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	51.72	1.37%	5.38%	-3.78%	60.97%
Gold Spot (\$/oz)	1,246.49	-0.23%	-0.63%	0.97%	17.44%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
4/4/2017	CPI YoY	Mar	3.3%
4/6/2017	Foreign Reserves	Mar	\$81.1b

Developed Markets

Date	Country	Event	Period	Prior
4/4/2017	US	Trade Balance	Feb	(\$48.5b)
4/4/2017	EU	Unemployment Rate	Mar	6.60%
4/5/2017	Japan	Nikkei Japan PMI Services	Mar	51.3

Emerging Markets

Date	Country	Event	Period	Prior
4/6/2017	China	Caixin China PMI Composite	Mar	52.6
4/6/2017	Indo	Foreign Reserves	Mar	\$119.86b
4/6/2017	India	RBI Repurchase Rate	6-Apr	6.25%

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

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