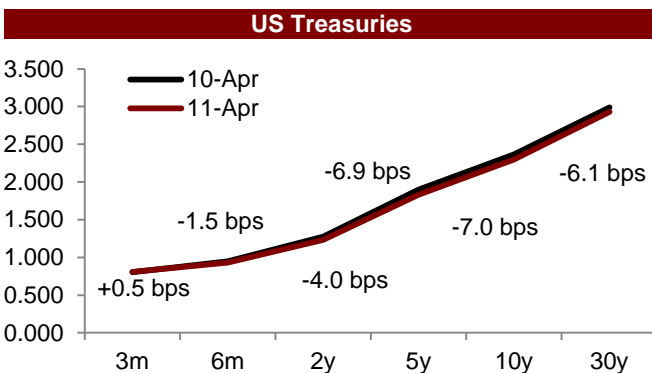
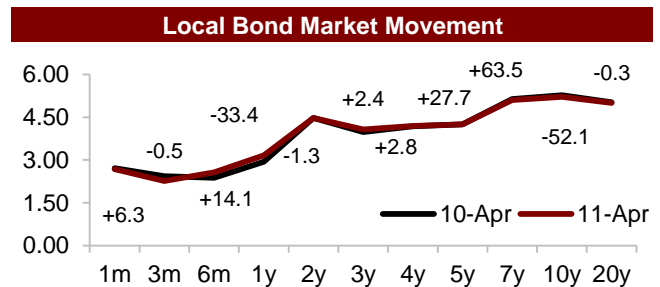
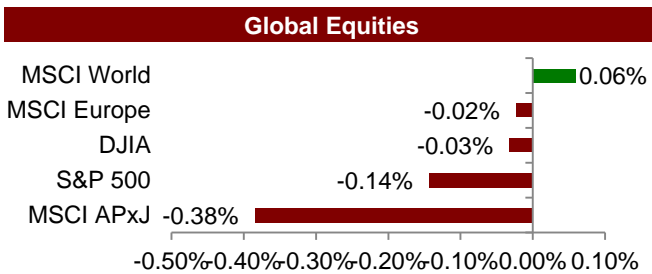
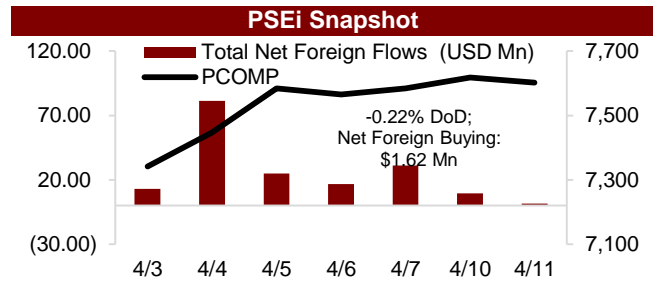


Global equities fell due to mounting geopolitical tensions and increased uncertainty over the outcome of the French election. The shift to safe-haven assets continued, with US Treasury yields falling, as highlighted by the 10-year yield falling below 2.3%. However, the US Dollar weakened against the Euro given the increase in the German Sentiment Index.

- ✓ The **local equities index** slipped amidst strong March car sales data (+33% YoY) and lower than expected February trade deficit (\$1.76Bn versus \$1.83Bn consensus). The PSEi fell 17 bps, closing at 7,601.40.
- ✓ In the **local fixed income market**, yields were flat with a slight upward bias. Investors primarily traded the recently awarded the RTB 3-08 (~50% of the ~Php 21Bn total traded volume today). However, outside the RTB, investors still await catalysts (e.g. 7YR auction next week). On average, yields rose by 1.83 bps.

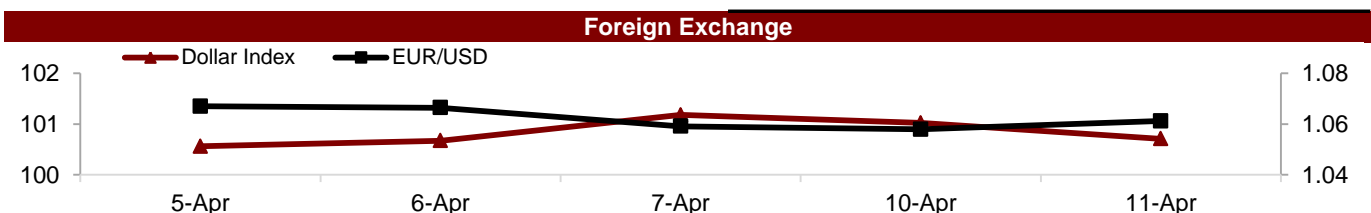


- ✓ **US stock markets** dipped as concerns about mounting geopolitical tensions in Korea and last week's US military strike on Syria remained a drag on risk sentiment. The S&P 500 lost 0.14% to end at 2,353.78. The DJIA slid 0.03%, closing at 20,651.30.
- ✓ **European equities** ended slightly lower amid lower-than-expected February industrial production and uncertainty about the upcoming French presidential election. The MSCI Europe was down 0.02%, closing the day at 128.88.
- ✓ Day on day, **Asian stocks** traded lower, as North Korean state media warned of a nuclear strike on the US at any sign of American aggression. The MSCI APxJ tumbled 0.38% to 477.34.
- ✓ **Prices of US Treasuries** rose as brewing geopolitical tensions resulted in investors' flight to safety behavior. The 2- and 10-year US Treasury yields fell 4.0 bps and 7 bps, respectively.

- ✓ The **Philippine peso** continued to strengthen relative to the US dollar on the back of continuous foreign portfolio inflows. The USDPHP pair fell 0.14% to 49.635.
- ✓ The **US dollar** weakened against the Euro on the back of the improving German Sentiment Index. The ZEW Survey Expectations rose to 26.3 from prior month's 25.6. The Euro closed at 1.0612 bouncing back from the one-month low of 1.0579.

Foreign Exchange

USD/PHP	Previous Close	49.705
	Close	49.635
EUR/USD	Previous Close	1.0579
	Indicative Rate	1.0601



Key Indicators

YIELDS AND PRICES	11-Apr-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.26	-0.17%	-0.85%	0.04%	-0.40%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.17	0.23%	0.38%	0.04%	0.80%
ROP2021 (Price)	106.31	0.00	(0.01)	0.84	(2.05)
ROP2034 (Price)	132.63	(0.06)	(0.53)	2.69	2.16
3-Month US Treasury Yield	0.81	0.01%	0.04%	0.07%	0.65%
3-Month German Treasury Bill Yield	(0.77)	0.00%	0.07%	0.14%	-0.23%
Dubai Crude Oil Spot (\$/bbl)	54.29	0.70%	6.31%	6.04%	68.97%
Gold Spot (\$/oz)	1,274.57	1.58%	1.46%	5.80%	20.08%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
4/16/2017	Overseas Remittances YoY	Feb	8.60%
4/18/2017	BoP Overall	Mar	-\$436m

Developed Markets

Date	Country	Event	Period	Prior
4/12/2017	US	MBA Mortgage Applications	Apr	-1.60%
4/12/2017	EU	Jobless Claims Change	Mar	-11.3K
4/14/2017	Japan	Industrial Production MoM (Final)	Feb	2.00%

Emerging Markets

Date	Country	Event	Period	Prior
4/12/2017	China	CPI YoY	Mar	0.80%
4/12/2017	India	Industrial Production YoY	Feb	2.70%
4/16/2017	Indo	Trade Balance	Mar	\$1319m

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