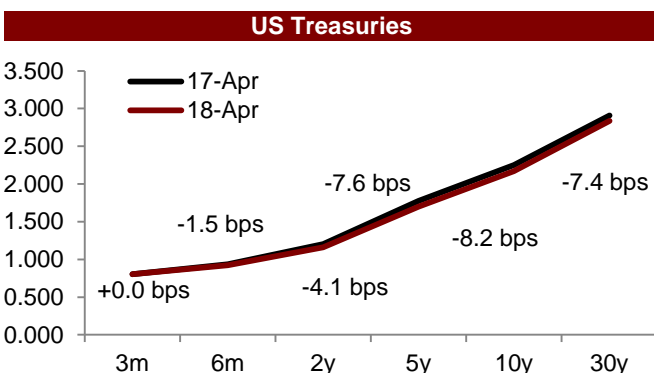
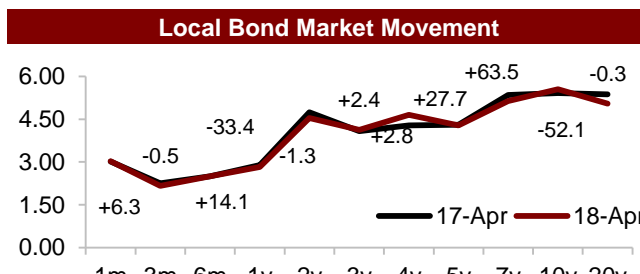
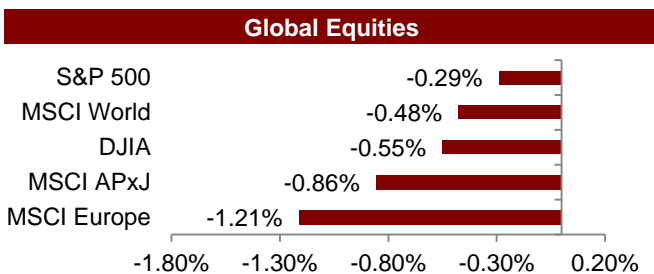
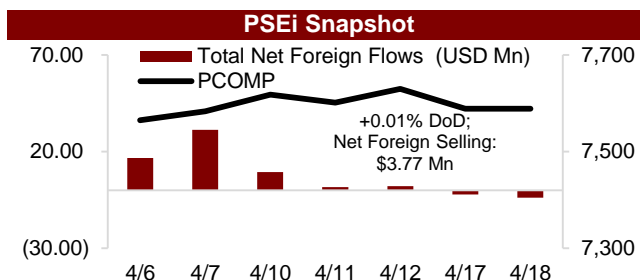


Global equities fell as risk-off sentiment clouded markets amid weak earnings and political uncertainties. The US Dollar slipped after British Prime Minister Theresa May announced an unexpected snap election. Meanwhile, US Treasury yields declined as investors sought safe haven assets.

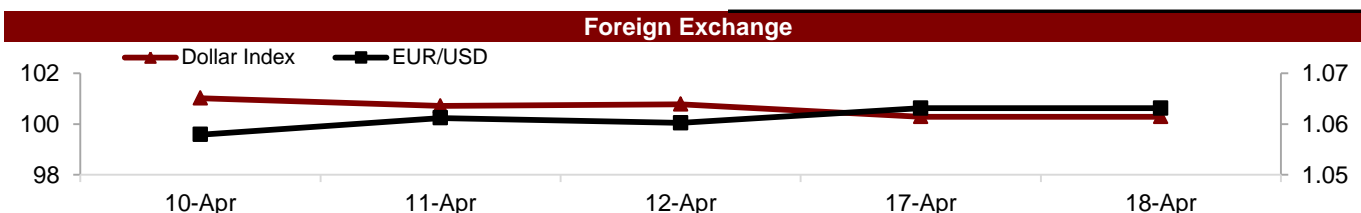
- ✓ The **local equity market** ended flat amid thin trading (PHP 5.04 Bn total value), with minor gains in holding firms (0.15%) and property companies (0.22%) offset by losses in the financial (-0.23%) and mining and oil (-0.14%) sectors. The PSEi gained 0.45 points, ending at 7,588.98.
- ✓ In the **local fixed income market**, yields were flat with a slight downward bias as investors stayed on the sidelines amid rising geopolitical tensions. The auction of 7YR FXTNs fetched a coupon of 4.5%, on the low end of consensus. Yields fell 2.95 bps on average.



- ✓ **US equities** fell as the release of disappointing earnings by corporate heavyweights (particularly Goldman Sachs and Johnson & Johnson) dragged market indexes downward. The SPX fell 0.29% to 2,342.19, while the DJIA tumbled 0.55%, ending at 20,523.28.
- ✓ **European equities** fell driven by a 2.46% selloff in the FTSE. The selloff came following an abrupt call by UK's prime minister to hold a snap elections on June. The MSCI Europe was down 1.21%, closing the day at 127.12.
- ✓ **Asian stocks** tumbled, led by Australian and Hong Kong markets, driven by losses in the Australian energy and mining sectors, as well as tighter Chinese banking regulations, respectively. The MSCI APxJ fell 0.86%, closing at 476.08.
- ✓ **US Treasury yields** fell to its lowest level in five months as risk-off sentiment resumed on the back of persistent geopolitical risk and weaker than expected economic data. The USGG10YR closed at 2.1682%, down 8.2 basis points.

- ✓ The **Philippine peso** continued to weaken against the dollar as investors fled toward safe-haven assets in light of escalating tensions between the US and North Korea. The USDPHP rose 0.20% to close at 49.640.
- ✓ The **US dollar** weakened after news broke out on the UK's snap election to be held on June. The DXY ended 0.79% lower to close at 99.49.

Pair	Previous Close	Current Rate
USD/PHP	49.540	49.640
EUR/USD	1.0631	1.0653



Key Indicators

YIELDS AND PRICES	18-Apr-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.16	-0.09%	-0.10%	-0.12%	-0.50%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.82	-0.07%	-0.34%	-0.23%	0.45%
ROP2021 (Price)	106.44	0.05	0.17	0.49	(1.92)
ROP2034 (Price)	133.26	0.18	0.70	1.98	2.80
3-Month US Treasury Yield	0.80	0.00%	-0.01%	0.08%	0.64%
3-Month German Treasury Bill Yield	(0.80)	0.00%	-0.03%	0.11%	-0.26%
Dubai Crude Oil Spot (\$/bbl)	53.30	-0.76%	-1.82%	6.15%	65.89%
Gold Spot (\$/oz)	1,289.60	0.38%	1.18%	4.91%	21.50%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
4/19/2017	BoP Overall	Mar	-\$436m
4/19/2017	Budget Balance PHP	Feb	2.2b

Developed Markets

Date	Country	Event	Period	Prior
4/19/2017	US	MBA Mortgage Applications	Apr	1.50%
4/19/2017	EU	CPI YoY (final)	Mar	1.50%
4/21/2017	Japan	Trade Balance	Mar	¥813.4b

Emerging Markets

Date	Country	Event	Period	Prior
4/30/2017	China	Manufacturing PMI	Apr	51.80
5/2/2017	Indo	Nikkei Indonesia PMI Mfg	Apr	50.50
5/2/2017	India	Nikkei India PMI Mfg	Apr	52.50

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

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