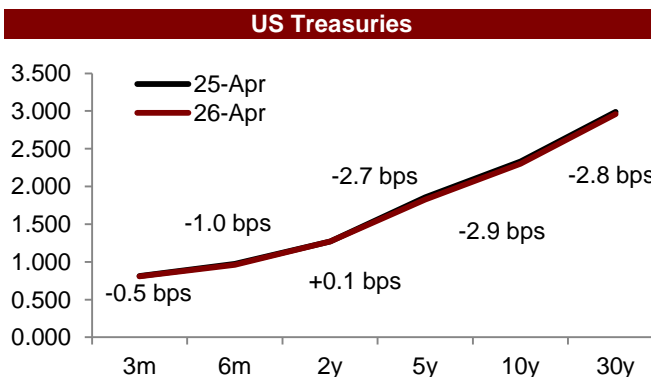
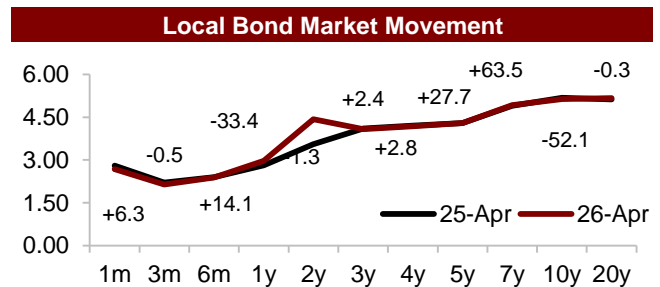
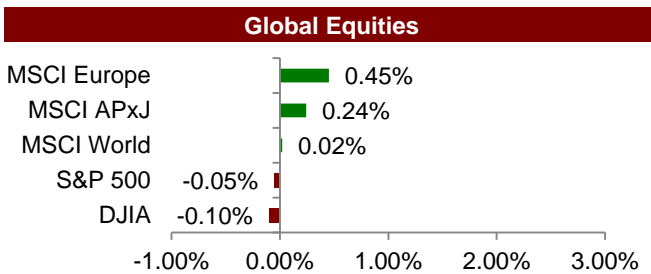
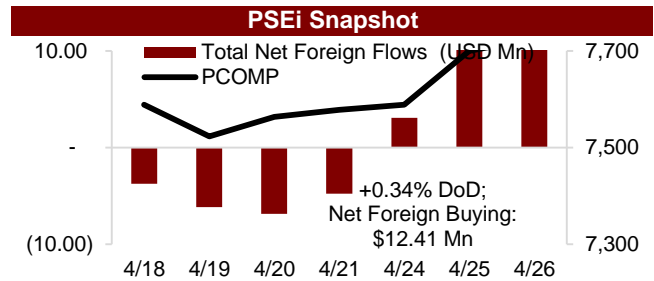


Global equities were mixed after an underwhelming tax update from Trump's administration. Moreover, US Treasury yields ended lower as doubts clouded investors while the US dollar strengthened after retreating for two straight days.

- ✓ **Local equities** ended mostly higher, tracking strength in regional markets on the back of positive investor sentiment engendered by strong US Q1 earnings and the impending release of Trump's reform agenda. The PSEi rose 0.34% to 7,726.45.
- ✓ In the **local fixed income market**, prices went down, tracking movement in US Treasury yields, as investors positioned in anticipation of the reveal of Trump's tax reform plan. On average, yields increased by 6.63 bps, led by the belly of the curve, which went up by 16.9 bps.

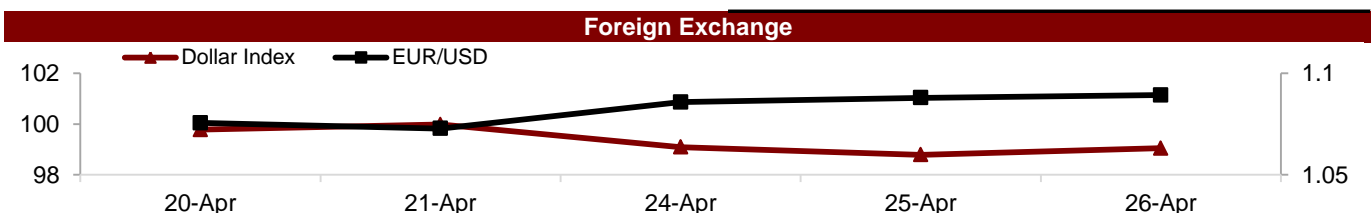


- ✓ **US equities** traded flat amid lack of new information in Trump's tax plan, as the key points of the proposal that were highlighted in the official release had already been priced in by the markets. The SPX dipped 0.05% to 2,387.45, while the DJIA slid 0.10%, ending at 20,975.09.
- ✓ **European equities** rallied for a third straight day on the back of positive sentiment following Macron's win in the French elections. The MSCI Europe gained 0.21%, closing at 130.62.
- ✓ **Asian stocks** gained yesterday amid receding political uncertainty in France and the release of positive US corporate earnings, as anticipation of the release of Trump's tax reform plan whetted investors' risk appetites. The MSCI APxJ Index gained 0.24% to 487.60.
- ✓ **US Treasury yields** declined amid emerging doubt on the proposed tax plan. The ambitious tax outline raised concerns on whether or not Trump's administration can deliver their proposed reform. On average, US Treasury yields fell 1.62 basis points.

- ✓ The **Philippine peso** weakened vis-a-vis the dollar, following an increase in US Treasury yields ahead of the announcement of Trump's tax plan. The USDPHP closed at 49.780.
- ✓ Despite lacking details, the **US dollar** strengthened after the release of Trump's tax outline. The DXY ended 0.26% higher to close at 99.045.

Foreign Exchange

USD/PHP	Previous Close	49.675
	Close	49.780
EUR/USD	Previous Close	1.0879
	Indicative Rate	1.0903



Key Indicators

YIELDS AND PRICES	26-Apr-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.14	-0.07%	0.06%	-0.87%	-0.53%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.97	0.15%	0.16%	-0.19%	0.60%
ROP2021 (Price)	106.48	(0.11)	(0.21)	0.36	(1.88)
ROP2034 (Price)	133.40	(0.10)	(0.43)	1.11	2.93
3-Month US Treasury Yield	0.81	-0.01%	0.01%	0.05%	0.65%
3-Month German Treasury Bill Yield	(0.80)	0.02%	-0.01%	0.15%	-0.26%
Dubai Crude Oil Spot (\$/bbl)	50.57	0.52%	-4.85%	2.76%	57.39%
Gold Spot (\$/oz)	1,269.24	0.40%	-0.86%	2.07%	19.58%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
4/28/2017	Budget Balance PHP	Mar	-23.7B
5/4/2017	CPI YoY	Apr	3.40%

Developed Markets

Date	Country	Event	Period	Prior
4/27/2017	US	Durable Goods Orders	Mar	1.80%
4/27/2017	EU	Unemployment Rate	Mar	9.20%
4/28/2017	Japan	Jobless Rate	Mar	2.80%

Emerging Markets

Date	Country	Event	Period	Prior
4/29/2017	China	Manufacturing PMI	Apr	51.80
5/1/2017	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

www.bpiassetmanagement.com

