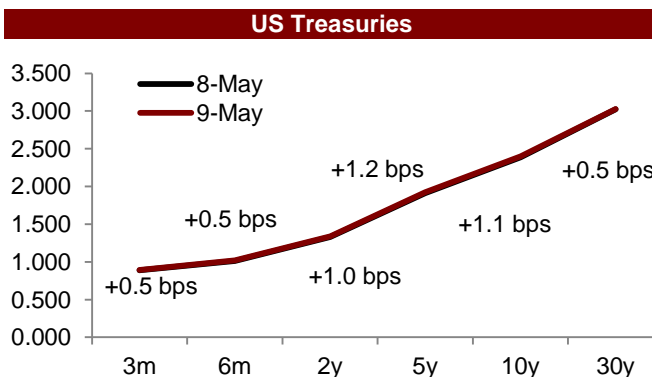
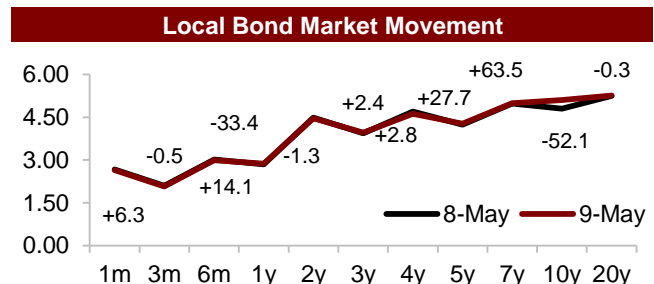
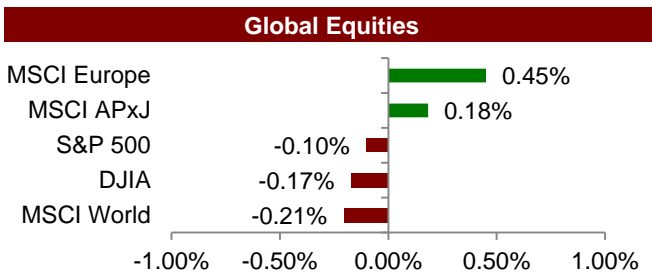
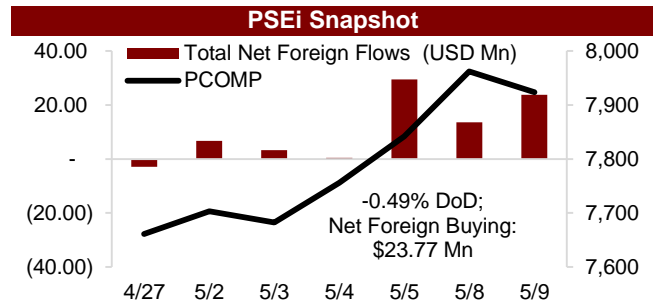


Global equity markets ended mixed, with gains in European and Asian markets bolstered by good corporate earnings data, but offset by losses in US equities, which fell with oil prices. Meanwhile, the US dollar tracked gains in US Treasury yields, which rose on the back of improving investor sentiment and decreased political risk.

- ✓ **Local equities** ended a three-day uptrend, as investors took profits after the index breached the 8,000 level, the first time since August 2016. The PSEi fell 0.49%, closing at 7,923.50.
- ✓ Prices of **local fixed income securities** fell on the back of decreased demand for long-term bonds, which offset yield decreases in the belly (-0.71 bps) and short end (-0.86 bps) of the curve. On average, the curve rose 2.03 bps.

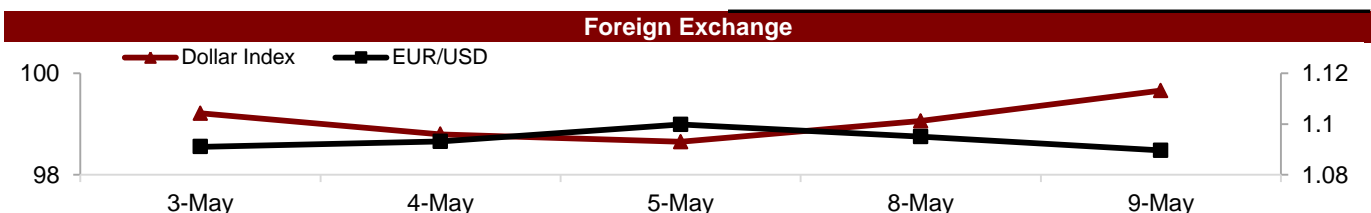


- ✓ **US equity markets** surged in early trading, touching all-time highs as the VIX Volatility Index fell to an 11-year low. However, markets pared gains late in the trading day on the back of falling oil prices. The SPX stood at 2,396.92 (-0.10% d/d), while the DJIA closed at 20,975.78 (-0.17% d/d).
- ✓ **European equities** rose following upbeat earnings in the Eurozone, particularly in the financials and pharmaceutical sectors. As of Monday, 63% of European corporate earnings beat analysts' estimates. The MSCI Europe gained 0.45%, closing at 133.59.
- ✓ **Asian markets** increased marginally as investors waited ahead of the South Korean presidential elections, which will be held today, as well as the release of the Australian federal budget. The MSCI APxJ closed at 489.36 (+0.18% d/d).
- ✓ **US Treasury** prices fell as investor sentiment improved on the back of the positive French presidential election result, solid Q1 corporate earnings, and historically low US equity volatility. On average, yields rose 0.80 bps, with 10-year yields climbing to a five-week high before closing at 2.398.

- ✓ In line with its Asian peers, the **Philippine peso** corrected versus the dollar--falling from strong levels due to the rally in response to Macron's win in the French elections seen in the previous days. The USDPHP gained 0.13% to 49.925.
- ✓ The **US dollar** rose to a three-week high as oil prices fell, tracking gains in US Treasury yields. The DXY gained 0.60% to 99.66.

Foreign Exchange

USD/PHP	Previous Close	49.860
	Close	49.925
EUR/USD	Previous Close	1.0950
	Indicative Rate	1.0907



Key Indicators

YIELDS AND PRICES	9-May-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.08	-0.02%	0.01%	-0.74%	-0.59%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.87	0.02%	-0.04%	-0.16%	0.50%
ROP2021 (Price)	106.41	(0.07)	(0.13)	0.02	(1.95)
ROP2034 (Price)	133.10	(0.19)	(0.13)	0.13	2.63
3-Month US Treasury Yield	0.89	0.01%	0.05%	0.08%	0.73%
3-Month German Treasury Bill Yield	(0.87)	-0.04%	-0.04%	0.01%	-0.34%
Dubai Crude Oil Spot (\$/bbl)	48.34	0.94%	-4.47%	-10.28%	50.45%
Gold Spot (\$/oz)	1,221.40	-0.40%	-2.69%	-2.63%	15.07%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
5/11/2017	Exports YoY	Mar	11.00%
5/11/2017	BSP Overnight Borrowing Rate	May	3.00%

Developed Markets

Date	Country	Event	Period	Prior
5/10/2017	US	MBA Mortgage Applications	5-May	-0.10%
5/10/2017	EU	Unemployment Rate	Apr	5.10%
5/11/2017	Japan	BoP Current Account Balance	Mar	¥2813.6Bn

Emerging Markets

Date	Country	Event	Period	Prior
5/10/2017	China	CPI YoY	Apr	0.9%
5/12/2017	India	Industrial Production YoY	Mar	-1.20%
5/15/2017	Indo	Trade Balance	Apr	\$1234Mn

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