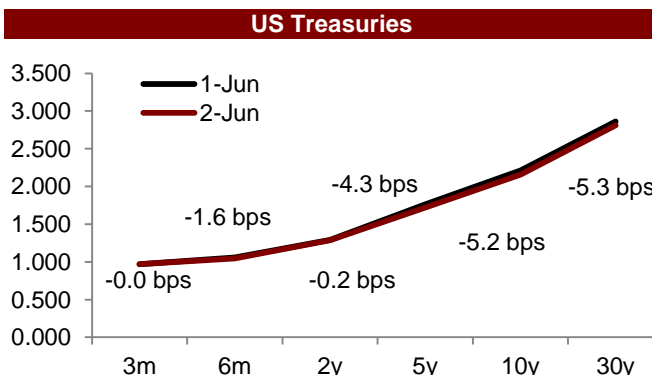
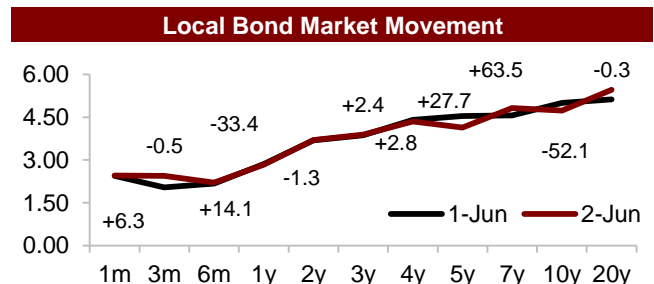
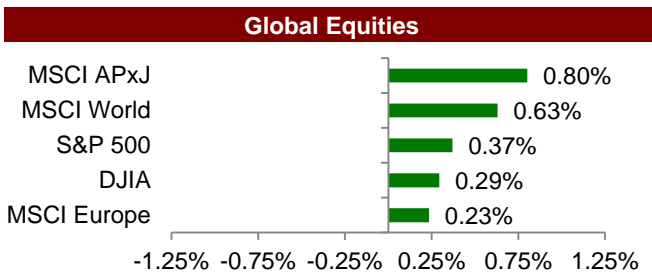
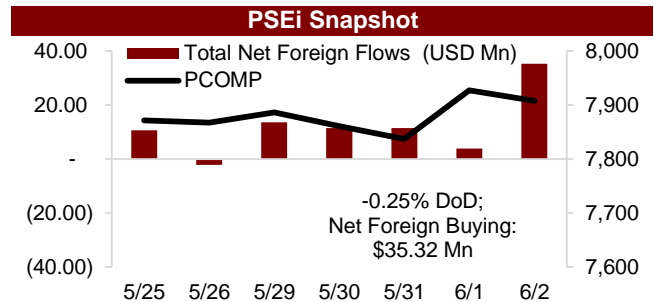


Global equities closed higher despite weaker-than-expected jobs report from the US, buoyed by a minor improvement in ISM data. Furthermore, Asian stocks were positively affected by China's unexpected strengthening of its currency. Meanwhile, concerns about Trump's ability to deliver on infrastructure spending and tax cuts are supporting improvements in US Treasury prices.

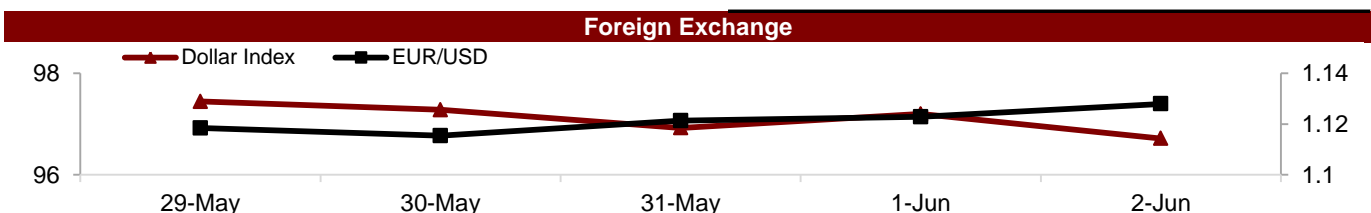
- ✓ The **local equities index** was dragged down by the gaming sector after gaming stocks lost ground due to an attack in Resorts World Manila. The PSEi declined by 19.83 points or 0.25%, closing at 7,907.66.
- ✓ In the **local fixed income market**, prices of government securities fell as investors took caution ahead of the upcoming nonfarm payrolls report to be released by the end of the day. On average, yields went up by 2.82 bps, led by the short-end of the curve which increased by 10.91 bps.



- ✓ **US equities** rose despite disappointing figures from the highly anticipated non-farm payrolls release. The US economy created 138,000 jobs, well below the 185,000 consensus estimate. The DJIA and the S&P 500 gained 0.29% to 21,206.29 and 0.37% to 2,49,047, respectively.
- ✓ **European shares** edged marginally higher after paring gains following the release of lower-than-expected U.S. nonfarm payroll data, with investors concerned over signs of weakness in the U.S. economy. The MSCI Europe added 0.23%, closing at 132.46.
- ✓ **Asian stocks** ended marginally higher on the back of China's move to increase the value of the yuan against the US dollar, building investor confidence in the Chinese economy. The MSCI APxJ rose by 0.80% to 502.59.
- ✓ **US Treasury yields** fell after the disappointing non-farm payroll data and the further unwinding of the Trump reflation trade. On average, yields fell 2.75bps, with 10-year yields falling 5.23 bps to close at 2.159%.

Foreign Exchange

USD/PHP	Previous Close	49.750
	Close	49.550
EUR/USD	Previous Close	1.1228
	Indicative Rate	1.1279



Key Indicators

YIELDS AND PRICES	2-Jun-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.44	0.41%	0.50%	0.38%	-0.23%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.84	-0.02%	-0.00%	-0.07%	0.47%
ROP2021 (Price)	106.58	0.09	0.05	0.04	(1.79)
ROP2034 (Price)	134.39	0.74	1.21	1.17	3.93
3-Month US Treasury Yield	0.97	-0.00%	0.05%	0.13%	0.81%
3-Month German Treasury Bill Yield	(0.81)	0.03%	0.01%	0.02%	-0.27%
Dubai Crude Oil Spot (\$/bbl)	47.86	-3.74%	-4.81%	-5.42%	48.96%
Gold Spot (\$/oz)	1,279.23	1.05%	0.97%	1.92%	20.52%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
6/6/2017	CPI YoY	May	3.40%
6/7/2017	Foreign Reserves	May	\$81.8bn

Developed Markets

Date	Country	Event	Period	Prior
6/5/2017	US	Durable Goods Orders (Final)	Apr	-0.7%
6/5/2017	Japan	Nikkei Japan PMI Services	May	52.2
6/5/2017	EU	Markit Eurozone Services PMI	May	56.2

Emerging Markets

Date	Country	Event	Period	Prior
6/5/2017	China	Caixin China PMI Composite	May	51.2
6/5/2017	India	Nikkei India PMI Composite	May	51.3
6/8/2017	Indo	Foreign Reserves	May	\$123.25bn

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