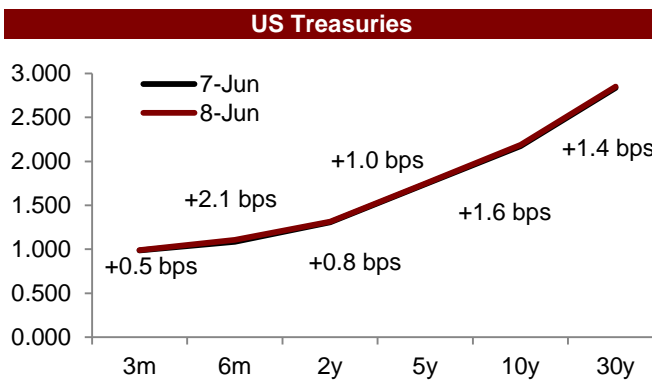
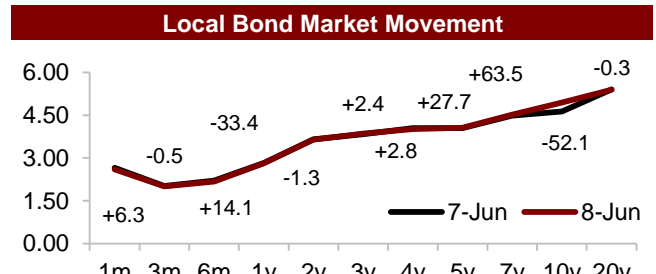
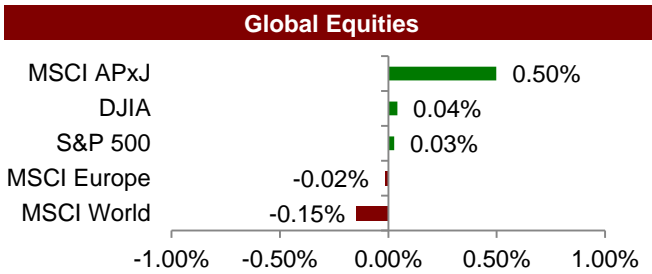
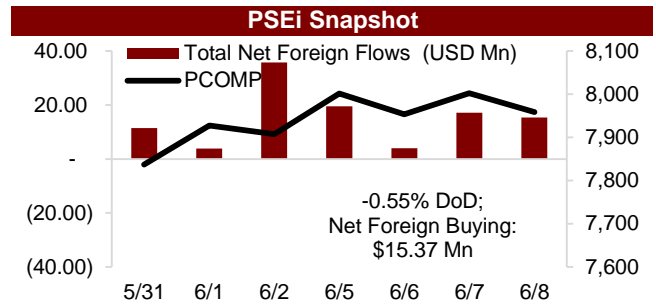


June 9, 2017

**Global equities ended mixed with marginal movements, amid softer than expected results from a supposed "Super Thursday". US equities rose, with investors already having priced in a subdued reading from ex-FBI Director Comey's testimony yesterday. Meanwhile, European equities ended mixed after the exit polls from the UK elections showed the conservative party losing its majority vote. US Treasury yields rose following the ECB's decision to maintain its current stimulus plan.**

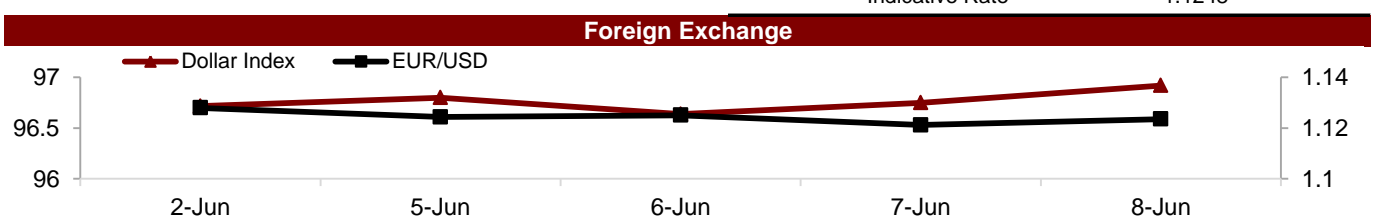
- ✓ The **local stock index** closed lower as investors took profits at the 8,000 level. Breadth remains positive as gainers outnumbered decliners. The PSEI decreased by 0.55%, ending at 7,958.63.
- ✓ The **Philippine fixed income** yield curve steepened, with gains in the long end (+9.94 bps d/d) and the belly (0.45 bps d/d) partially offset by a dip in the short end (-2.46 bps d/d) of the curve. On average, yields rose 1.85 bps.



- ✓ **US equities** ended flat with a slight upward bias, as investors resulted to bargain hunting after pricing in a subdued testimony from ex-FBI Director Comey on accusations regarding President Trump. The DJIA ended at 21,182.53 (+0.04% d/d) while the S&P 500 closed at 2,433.79 (+0.03% d/d).
- ✓ **European equity markets** ended flat as the elections that UK Prime Minister Theresa May initiated backfired against her, with exit polls suggesting her party lost a majority vote in the UK's general elections yesterday. MSCI Europe fell 0.02% to 131.34.
- ✓ **Asian equities** trended higher on the back of better-than-expected economic data from China, as May exports ascended 8.7% YoY and imports swelled to 14.8%. Also, market players shrugged off another missile launch from North Korea, with the KOSPI even advancing 0.15%. The MSCI APxJ climbed 0.50% closing at 505.74.
- ✓ **US Treasury yields** tracked rising German Bund yields, as the ECB suggested it may retain its current stimulus plan and signaled no further cuts in interest rates. US Treasury yields gained 1.23 bps on average, with the benchmark 10-year yields increasing 1.56 bps to 2.189%.

Pair	Previous Close	Close	Indicative Rate
USD/PHP	49.510	49.495	
EUR/USD	1.1212		1.1248

- ✓ The **Philippine peso** traded flat as investors took caution ahead of the UK national elections, the ECB rate decision, and former FBI Director Comey's Senate testimony on Thursday. The USDPHP fell 0.03% to 49.495.
- ✓ The **US dollar** strengthened following a steady stance on the possible rate hike from the European Central Bank and as investors remain unfazed with the recent developments in FBI Director Comey's testimony before Congress. The USD rose 0.18% ending 96.918.



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## Key Indicators

YIELDS AND PRICES	8-Jun-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.01	-0.01%	-0.03%	-0.09%	-0.66%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.82	-0.00%	-0.04%	-0.03%	0.45%
ROP2021 (Price)	106.73	(0.05)	0.25	0.26	(1.63)
ROP2034 (Price)	134.88	(0.23)	1.22	1.59	4.41
3-Month US Treasury Yield	0.99	0.01%	0.02%	0.10%	0.83%
3-Month German Treasury Bill Yield	(0.77)	0.07%	0.07%	0.06%	-0.24%
Dubai Crude Oil Spot (\$/bbl)	47.05	-2.77%	-5.37%	-1.75%	46.44%
Gold Spot (\$/oz)	1,278.04	-0.70%	0.96%	4.22%	20.41%

## Upcoming Economic Releases

### Philippines

Date	Event	Period	Prior
6/15/2017	Overseas Remittances YoY	Apr	10.7%
6/19/2017	BoP Overall	May	\$917m

### Developed Markets

Date	Country	Event	Period	Prior
6/9/2017	Japan	Tertiary Industry Index MoM	Apr	-0.2%
6/13/2017	EU	ZEW Survey Expectations	Jun	35.1
6/14/2017	US	CPI MoM	May	0.2%

### Emerging Markets

Date	Country	Event	Period	Prior
6/10/2017	China	Money Supply M2 YoY	May	10.5%
6/12/2017	India	Industrial Production YoY	Apr	2.7%
6/15/2017	Indo	Trade Balance	May	\$1238m

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