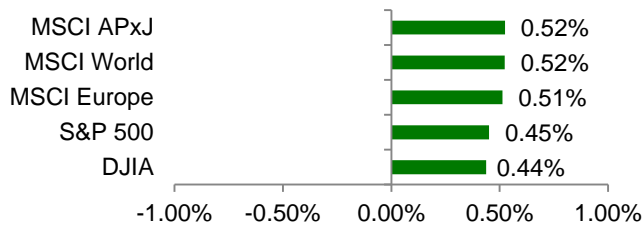


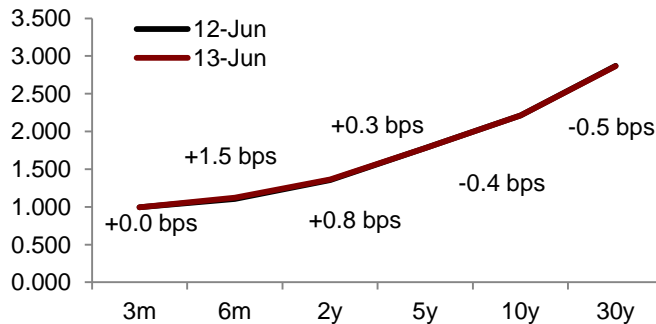
**Global equities gained as technology stocks rebounded and oil prices rose. The US dollar continued to weaken ahead of the US Federal Open Market Committee interest rate decision, while US Treasury yields rose as upbeat economic data raised May inflation expectations.**

- ✓ The **local stock index** fell, as investors took profits ahead of the Fed's interest rate decision on Wednesday. The decline was led by the property (-2.47% d/d) and industrial (-1.10% d/d) sectors. The PSEi fell 0.91%, closing at 7,917.89.
- ✓ Prices of **Philippine fixed income securities** rose, led by 10-year yields (-0.318 bps d/d), with the BSP's low inflation outlook whetting investors' bond appetites. On average, yields fell 4.94 bps.

### Global Equities

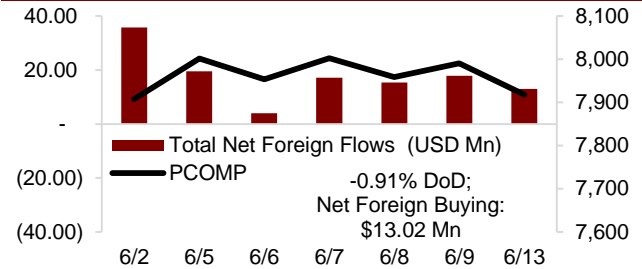


### US Treasuries

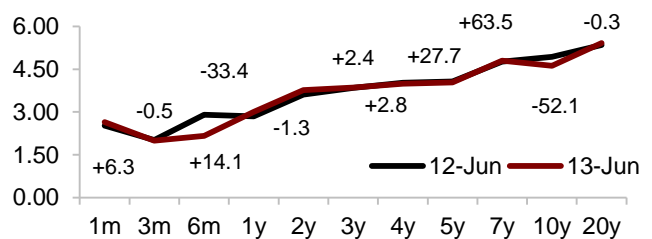


- ✓ The **Philippine peso** traded sideways with a slight downward bias as the benchmark USD strengthened ahead of the FOMC meeting on Wednesday, which is largely expected to result in a rate hike (consensus: 97.8%). The USDPHP gained 0.07% to 49.535.
- ✓ The **US dollar** continued to weaken ahead of the upcoming FOMC decision on Wednesday, which is projected to result in an interest rate hike. The DXY lost 0.31% to 96.975.

### PSEi Snapshot



### Local Bond Market Movement

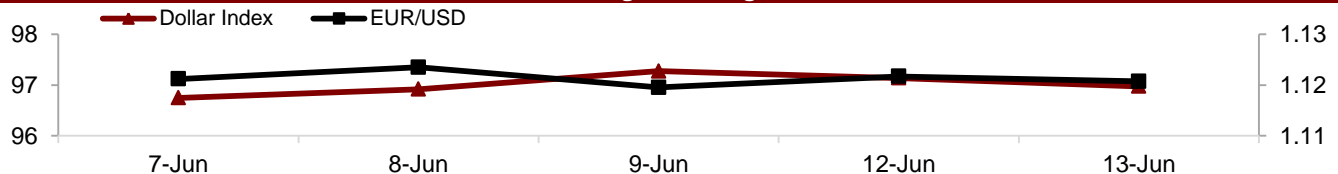


- ✓ **US stocks** rose as tech shares rebounded from their worst ytd drop (Nasdaq Composite Index +1.01% d/d), lifting the S&P 500, the Dow Jones Industrial Average, and the Russell 2000 to all-time closing highs. The SPX gained 0.45% to 2,440.35, while the DJIA increased 0.44% to 21,328.47.
- ✓ **European equity markets** tracked U.S. markets after technology shares recovered from the sell-off in previous trading sessions. MSCI Europe rose by 0.51% to 131.26.
- ✓ **Asian equities** advanced as oil extended gains for a third straight day (WTI at USD 46.46/bbl, +1.01% d/d) amid expectations of a decline in US crude supplies. The MSCI APxJ added 0.52%, closing at 503.69.
- ✓ **US Treasury yields** rose ahead of the FOMC interest rate decision, as a data release showing rising US services prices raised expectations of stronger May inflation. The yield curve gained 0.32 bps on average, with yields of 2-year securities rising 0.8 bps to 1.363%.

### Foreign Exchange

USD/PHP	Previous Close	49.500
	Close	49.535
EUR/USD	Previous Close	1.1217
	Indicative Rate	1.1211

### Foreign Exchange



## Key Indicators

YIELDS AND PRICES	13-Jun-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	1.99	-0.02%	-0.01%	-0.07%	-0.67%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.01	0.16%	0.17%	0.18%	0.64%
ROP2021 (Price)	106.83	0.02	0.01	0.49	(1.54)
ROP2034 (Price)	134.73	0.00	(0.28)	1.86	4.26
3-Month US Treasury Yield	1.00	0.00%	0.03%	0.13%	0.83%
3-Month German Treasury Bill Yield	(0.87)	0.01%	-0.07%	0.02%	-0.33%
Dubai Crude Oil Spot (\$/bbl)	47.22	0.28%	-1.19%	-4.61%	46.97%
Gold Spot (\$/oz)	1,266.60	0.06%	-2.13%	3.13%	19.33%

## 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
6/14/2017	US	CPI MoM	May	0.2%
6/14/2017	Japan	Industrial Production MoM (Final)	Apr	4.0%
6/16/2017	EU	CPI YoY (Final)	May	1.9%

### Emerging Markets

Date	Country	Event	Period	Prior
6/13/2017	China	Money Supply M2 YoY	May	10.5%
6/14/2017	India	Wholesale Prices YoY	May	3.85%
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