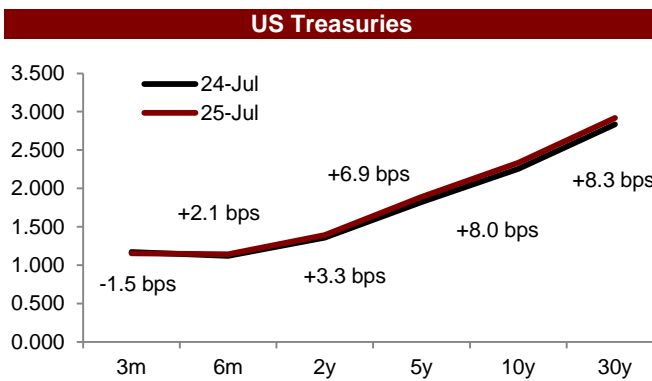
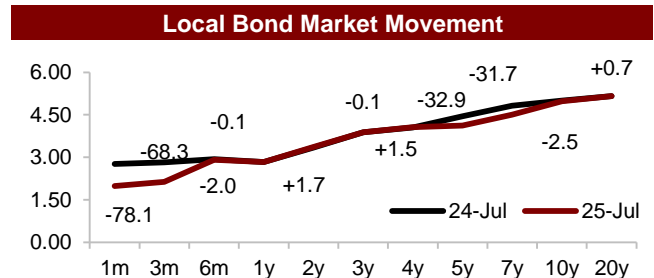
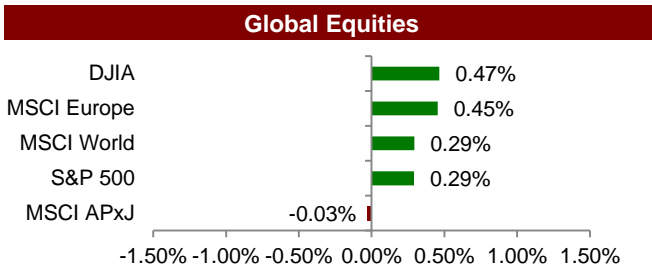
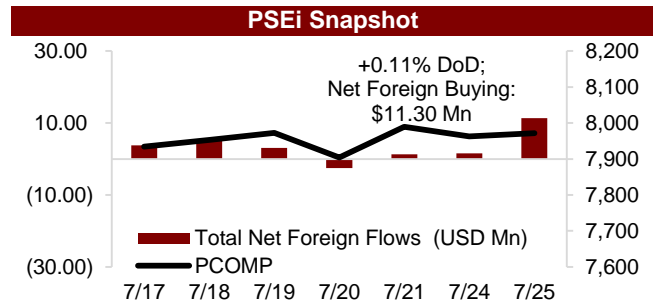


Global equities mostly ended higher following upbeat corporate earnings in the US, better-than-expected data in the global space, and a pick-up in oil prices. Meanwhile, US Treasury yields rose ahead of the 2-day FOMC meeting ending Thursday. The US dollar strengthened on the back of robust consumer confidence, as it rose to its second highest level in 16 years.

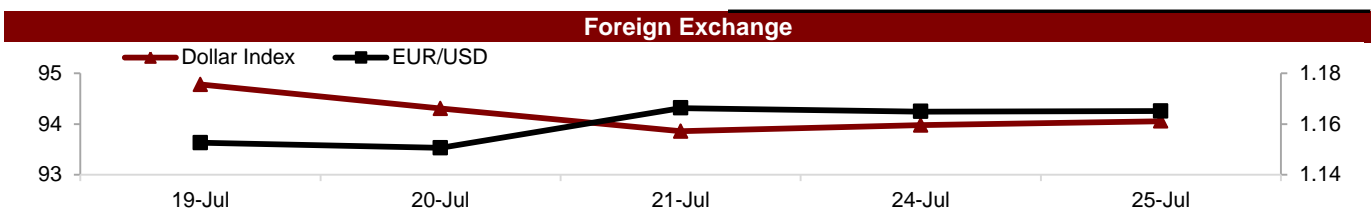
- ✓ **The local equities index** closed slightly higher after the Presidential SONA. The President reiterated its support in infrastructure development and urged the senators to pass the Tax reform package. The PSEi added 9.08 points or 0.12%, closing at 7,971.72.
- ✓ **Local fixed income market yields** declined after the BTR rejected all bids for the auctioned 20-year paper. On average, yields declined by an average of 17.64 bps, with the long end falling 0.61 bps.



- ✓ **US equities** advanced, buoyed by upbeat earnings releases. Meanwhile, the Senate voted to open a debate on the repeal of Obamacare as Republicans push to follow through on President Trump's campaign promise. The S&P 500 closed higher at 2,477.13 (+0.29%), while the DJIA rose by 0.47% to 21,613.43.
- ✓ **European stocks** edged higher following positive sentiment towards the German and Greek economies. Germany's IFO Business Climate Index, a measure of economy-wide business conditions, came in at 116.0 compared to consensus at 114.9. Meanwhile, Greece returned to the fixed income markets last Tuesday with a five-year bond sale. The MSCI Europe rose 0.45% day-on-day to 128.52.
- ✓ **The Asian equity index** ended marginally lower, led by technology and industrial stocks, ahead of the FOMC meeting on Wednesday. The MSCI APxJ fell by 0.03% to 526.40.
- ✓ **US Treasury yields** rose as a surge in commodity prices stoked expectations about inflation. Consequently, investors are starting to price-in slightly hawkish Fed officials. On average, yields were up 4.50 bps, led by the 30-year which rose 8.26 bps to 2.917%.

Foreign Exchange

USD/PHP	Previous Close	50.735
	Close	50.540
EUR/USD	Previous Close	1.1649
	Indicative Rate	1.1652



Key Indicators

YIELDS AND PRICES	25-Jul-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.14	-0.68%	-0.68%	0.07%	-0.53%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.84	-0.00%	-0.07%	-0.01%	0.47%
ROP2021 (Price)	106.26	(0.24)	(0.11)	(0.53)	(2.10)
ROP2034 (Price)	134.00	(0.74)	(0.42)	(1.28)	3.53
3-Month US Treasury Yield	1.15	-0.02%	0.10%	0.20%	0.99%
3-Month German Treasury Bill Yield	(0.68)	0.00%	-0.02%	0.13%	-0.16%
Dubai Crude Oil Spot (\$/bbl)	47.69	1.88%	0.76%	8.02%	48.43%
Gold Spot (\$/oz)	1,250.05	-0.43%	0.48%	-0.53%	17.77%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
7/31/2017	Bank Lending YoY	June	17.4%
8/4/2017	CPI YoY	July	2.8%

Developed Markets

Date	Country	Event	Period	Prior
7/26/2017	US	MBA Mortgage Applications	July	6.3%
7/28/2017	Japan	Jobless Rate	June	3.1%
7/28/2017	Europe	Consumer Confidence	July	-1.7

Emerging Markets

Date	Country	Event	Period	Prior
7/26/2017	Singapore	Industrial Production YoY	June	5.0%
7/31/2017	China	Manufacturing PMI	July	51.7
8/1/2017	India	Nikkei India PMI Mfg	July	50.90

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