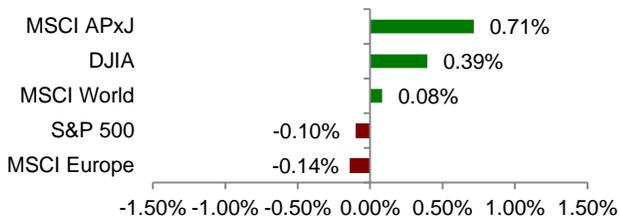


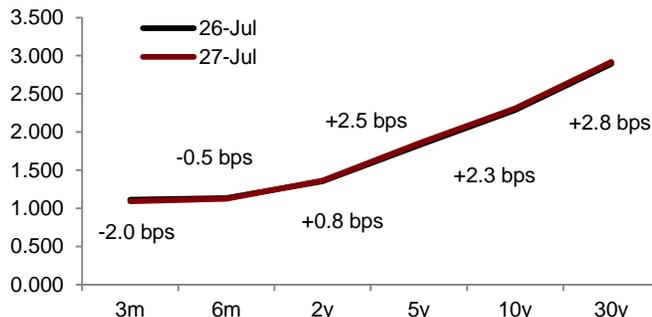
Global equities ended mixed on the results of the second quarter corporate earnings season. US Treasury yields rose amid an influx of corporate and government notes and the FED's tempered outlook on inflation. Meanwhile, the US dollar strengthened on the back of an upbeat durable goods print.

- ✓ **The local equities index** ended the day higher as the second quarter earnings season kicked off. The index rose as much as 8,100 intraday before succumbing to profit taking. The PSEi gained 0.10%, closing at 8,045.78.
- ✓ **Local fixed income market yields** rose on average, with the curve flattening at the belly and the long end, following mixed signals from the FED. The FED said that it will start the unwinding of its balance sheet "relatively soon", despite tempered outlook on inflation. On average, yields increased by 2.10 bps, led by the short end, which advanced 17.21 bps.

Global Equities

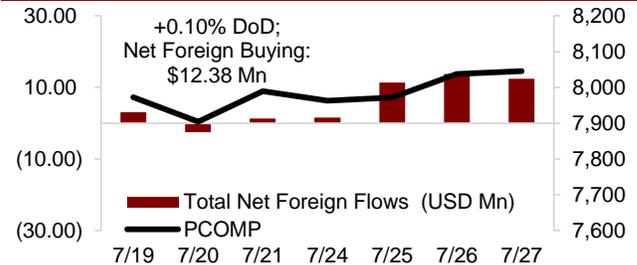


US Treasuries

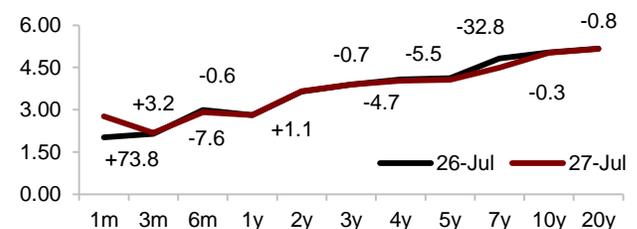


- ✓ **The Philippine peso** mildly strengthened amid the weakness in the US dollar following the FED's tempered outlook on inflation. The peso rose by 0.16% against the greenback, closing at 50.560.
- ✓ **The US dollar** strengthened on the back of an upbeat durable goods print, with new orders of durable goods for the month of June increasing by 6.5% MoM compared to an estimate of 3.9%. The DXY was up 0.20% to 93.83.

PSEi Snapshot



Local Bond Market Movement

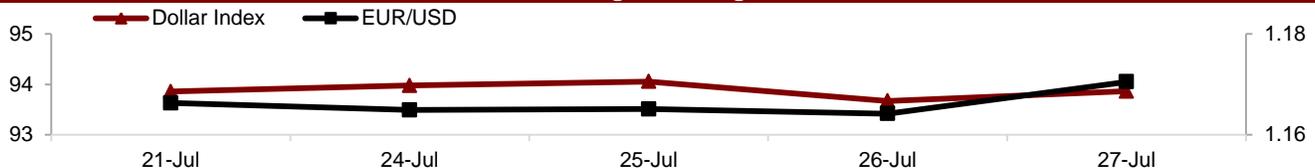


- ✓ **US equities** ended mixed as investors booked profits following better-than-expected earnings releases from technology companies. Furthermore, market concerns on the implementation of Trump's fiscal reforms ensued following the recent rejection of the revised healthcare bill. The S&P 500 closed lower at 2,475.42 (-0.10%), while the DJIA rose by 0.39% to 21,796.55.
- ✓ **European stocks** marginally declined on the back of weaker-than-expected corporate earnings releases-- particularly Deutsche Bank AG (-6.05% DoD) and AstraZeneca (-15.00% DoD). The MSCI Europe fell 0.14% day-on-day to 128.98.
- ✓ **Asian shares** ended higher following robust earnings releases from key regional companies and on the back of risk-on sentiment from investors following the FED's relatively dovish outlook on inflation. The MSCI APxJ went up by 0.71% to 531.14.
- ✓ **US Treasury yields** rose amid an influx of government and corporate notes, with a seven-year bond auction in the pipeline. Investors are also weighing in on the FED's decision to pare its balance sheet "relatively soon". On average, yields rose 0.98 bps, with the 10-year which up by 2.31 bps to 2.310%.

Foreign Exchange

USD/PHP	Previous Close	50.640
	Close	50.560
EUR/USD	Previous Close	1.1642
	Indicative Rate	1.1727

Foreign Exchange



Key Indicators

YIELDS AND PRICES	27-Jul-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.18	0.03%	-0.63%	0.17%	-0.49%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.81	-0.01%	-0.05%	-0.04%	0.44%
ROP2021 (Price)	106.39	0.08	(0.15)	(0.44)	(1.97)
ROP2034 (Price)	134.09	0.22	(0.78)	(1.49)	3.62
3-Month US Treasury Yield	1.09	-0.02%	-0.05%	0.09%	0.93%
3-Month German Treasury Bill Yield	(0.66)	-0.01%	-0.00%	0.13%	-0.15%
Dubai Crude Oil Spot (\$/bbl)	49.33	0.53%	2.07%	9.48%	53.53%
Gold Spot (\$/oz)	1,259.13	-0.11%	1.18%	0.96%	18.63%

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
7/28/2017	US	GDP Annualized QoQ	July	1.4%
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
7/28/2017	Singapore	Foreign Reserves	July	\$185.4Bn
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