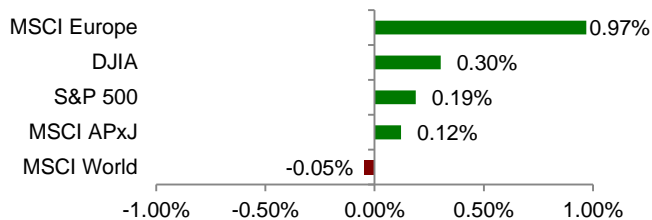


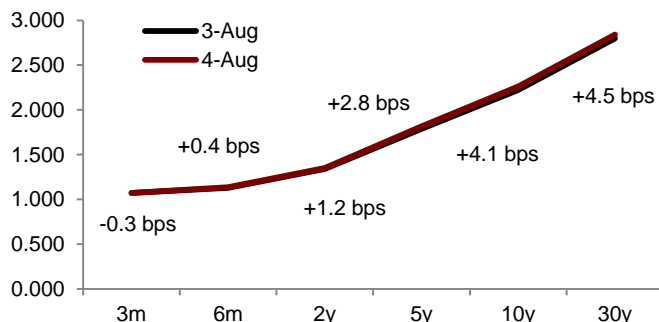
US, European, and Asian equity markets gained after a better-than-expected US nonfarm payrolls report and good earnings data in Europe. The US dollar increased on the back of the jobs report and news of a prospective tax plan, while Treasury yields rose as expectations of a US interest rate hike before the end of the year increased.

- ✓ The **local equities market** went up on the back of the resumption of Energy Development Corp. (PSE ticker: EDC) trading, and ahead of the U.S nonfarm payrolls report to be released within the day. The PSEi increased by 56.16 points or 0.71%, closing at 7,932.82
- ✓ In the **local fixed income market**, prices of government securities fell as investors took caution ahead of the Php15 billion T-bill auction to be held on Tuesday next week. On average, yields went up by 10.82 points led by the short-end of the curve which rose by 26.64 bps.

Global Equities

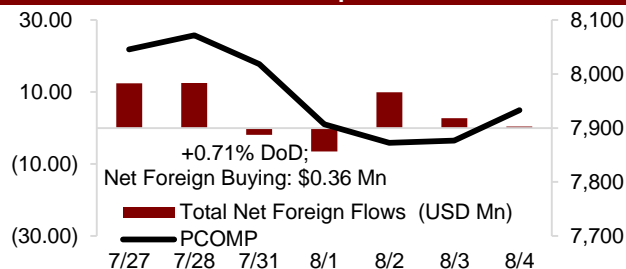


US Treasuries

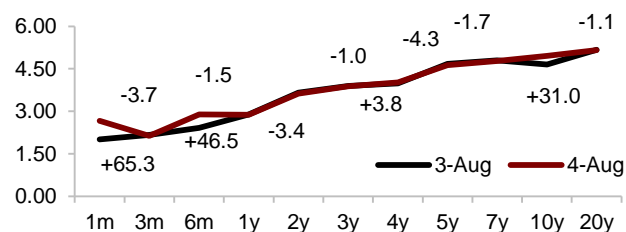


- ✓ The **Philippine peso** strengthened against the dollar due to new updates on Special Counsel Robert Mueller's probe in the Trump-Russia investigation, especially Mueller's use of the federal grand jury. The peso went up by 0.22%, closing at 50.160.
- ✓ The **US dollar** was buoyed by the payrolls data release and comments by National Economic Council Director Gary Cohn that the US government is working on a tax plan that would bring corporate profits back into the country. The DXY gained 0.76% DoD to 93.542.

PSEi Snapshot



Local Bond Market Movement

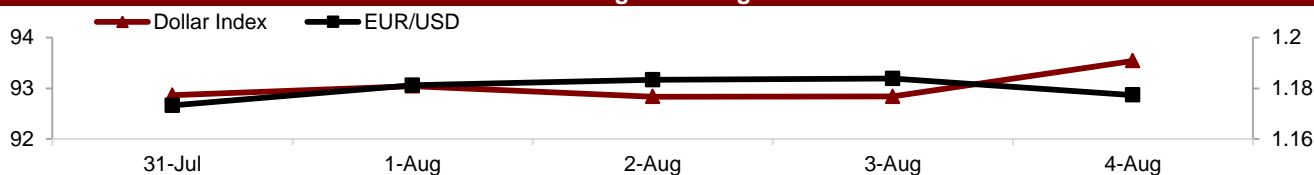


- ✓ **US equities** ended higher after the release of positive July nonfarm payrolls data (estimated: 180,000; actual: 209,000) and solid wage growth data. The S&P 500 was up 0.19% DoD to 2,476.83, while the DJIA gained 0.30% DoD to a record high of 22,092.81, its eighth straight record close.
- ✓ **European stocks** rose on the back of earnings data (RBS, DBK, SAN, ACA), the good US jobs report, and strength in the dollar, which took pressure off stocks of eurozone importers. The MSCI Europe was up 0.97% DoD, ending at 129.17.
- ✓ **Asian shares** traded sideways with an upward bias ahead of the release of US payrolls data. The MSCI APxJ gained 0.12% DoD to 528.59.
- ✓ **US Treasury prices** fell, with traders banking on the Fed to start paring its balance sheet next month after the good payrolls report, which also increased the possibility of another interest rate hike before the end of the year. Yields gained 2.11 bps DoD on average, with 10-year yields up 4.08 bps DoD to 2.262%.

Foreign Exchange

USD/PHP	Previous Close	50.270
	Close	50.160
EUR/USD	Previous Close	1.1838
	Indicative Rate	1.1882

Foreign Exchange



Key Indicators

YIELDS AND PRICES	4-Aug-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.13	-0.04%	-0.84%	0.01%	-0.54%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.87	-0.02%	-0.15%	-0.02%	0.50%
ROP2021 (Price)	106.47	(0.01)	0.05	0.31	(1.89)
ROP2034 (Price)	134.89	0.20	0.84	1.34	4.42
3-Month US Treasury Yield	1.07	-0.00%	-0.01%	0.05%	0.91%
3-Month German Treasury Bill Yield	(0.70)	-0.01%	-0.10%	0.13%	-0.18%
Dubai Crude Oil Spot (\$/bbl)	50.26	-1.64%	0.20%	4.14%	56.43%
Gold Spot (\$/oz)	1,258.77	-0.77%	-0.86%	2.90%	18.59%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
8/7/2017	Foreign Reserves	July	\$81.4b
8/10/2017	BSP Overnight Borrowing Rate	10-Aug	3.0%

Developed Markets

Date	Country	Event	Period	Prior
8/7/2017	Germany	Industrial Production SA MoM	June	1.2%
8/9/2017	US	Wholesale Inventories MoM (Final)	June	0.6%
8/8/2017	Japan	BoP Current Account Balance	June	¥1653.9b

Emerging Markets

Date	Country	Event	Period	Prior
8/7/2017	Indonesia	Foreign Reserves	July	\$123.09b
8/9/2017	China	CPI YoY	July	1.5%
8/10/2017	India	Exports YoY	July	4.4%

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