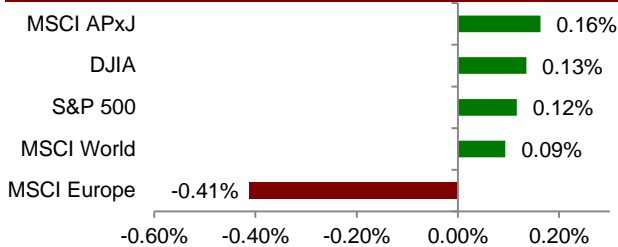


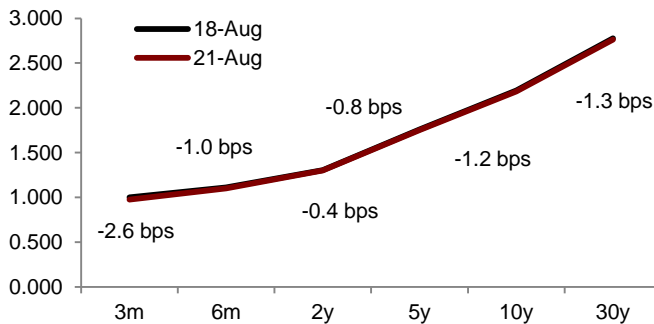
While most global equity markets edged higher, European markets dropped as tensions between the US and North Korea resurfaced. These tensions also weakened the US dollar, while US Treasury prices increased amid a continuing shakeup in the White House.

- ✓ The **local equities market** ended on a decline on Friday after testing the 8,100 level. Investors continue to await stronger positive economic catalysts before breaching this resistance. The PSEi fell by 56.02 points or -0.69%, closing at 8,016.73.
- ✓ In the **local fixed income market**, yields fell as investors took profit ahead of the long weekend. Anticipation of a retreat from the PSEi's 8,100 resistance also led to risk-off sentiment. On average, yields fell by 5.50 bps, led by the short end of the curve which declined by 8.94 bps.
- ✓ **The local markets were closed on Monday due to the Ninoy Aquino Day holiday.**

Global Equities

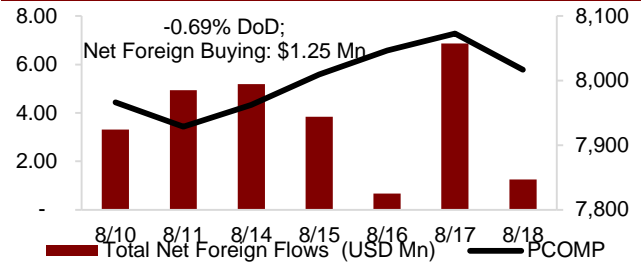


US Treasuries

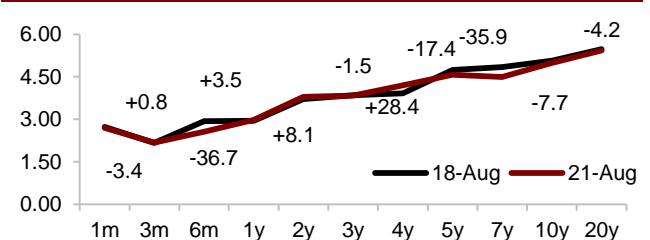


- ✓ The **Philippine peso** continued its depreciation against the dollar as capital good imports continue to support economic growth. The USD/PHP gained 0.26%, closing at the 51.49 level.
- ✓ The **US dollar** weakened ahead of the annual Jackson Hole Economic Policy symposium on Thursday, and as tensions between the United States and North Korea resurfaced. The DXY fell 0.36% to 93.095.

PSEi Snapshot



Local Bond Market Movement

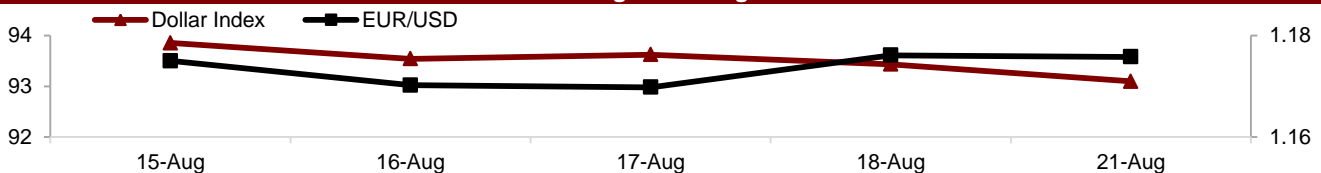


- ✓ **US equities** closed marginally higher on light volume. Cyclical sectors caused a drag, mostly due to the energy sector as oil prices dropped after the OPEC compliance discussion brought little news. The DJIA ended at 21,703.75 (+0.13% DoD) while the SPX was at 2,428.37 (+0.12%).
- ✓ **European equities** slid following US-South Korea military exercises that refocused attention to the tensions in the region. Buying on news of merger by shipping giant Maersk compensated for some of the decline. The MSCI Europe lost 0.41% and closed at 125.76.
- ✓ **Asian shares** were up slightly as the broad-based weakness in regional indices was offset by increases in energy stocks following the 3% rebound in oil prices on Friday. The MSCI Asia Pacific ex-Japan ended at 524.05, up 0.16%.
- ✓ **Yields of US Treasuries** edged lower, as continued instability in the White House reduced the chances that US lawmakers will pass fiscal measures that were expected to promote economic growth. On average, yields fell 1.23 bps, with 10-year yields down 1.22 bps to 2.182%.

Foreign Exchange

USD/PHP	Previous Close	51.355
	Close	51.490
EUR/USD	Previous Close	1.1723
	Indicative Rate	1.1743

Foreign Exchange



Key Indicators

YIELDS AND PRICES	21-Aug-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.18	0.00%	-0.02%	-0.61%	-0.49%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.98	0.00%	-0.09%	-0.04%	0.61%
ROP2021 (Price)	106.37	(0.08)	(0.05)	(0.13)	(1.99)
ROP2034 (Price)	134.78	0.01	0.11	(0.01)	4.31
3-Month US Treasury Yield	0.98	-0.03%	-0.04%	-0.18%	0.81%
3-Month German Treasury Bill Yield	(0.68)	0.00%	0.00%	0.02%	-0.16%
Dubai Crude Oil Spot (\$/bbl)	50.94	3.20%	1.29%	5.79%	58.54%
Gold Spot (\$/oz)	1,291.88	0.62%	0.76%	2.93%	21.71%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
8/22-8/31	Budget Balance PHP	July	-90.9 Bn
8/31/2017	Bank Lending YoY	July	18.3%

Developed Markets

Date	Country	Event	Period	Prior
8/23/2017	US	MBA Mortgage Applications	18-Aug	0.1%
8/23/2017	Europe	Markit Eurozone Manufacturing PMI	August	58.1
8/23/2017	Japan	Nikkei Japan PMI Mfg	August	52.1

Emerging Markets

Date	Country	Event	Period	Prior
8/22-8/24	China	Foreign Direct Investment YoY CNY	July	2.3%
8/22/2017	Indonesia	Bank Indonesia 7D Reverse Repo	August	4.75%
8/22/2017	Mexico	GDP YoY / QoQ	2Q	1.8% / 0.6%

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

www.bpiassetmanagement.com

