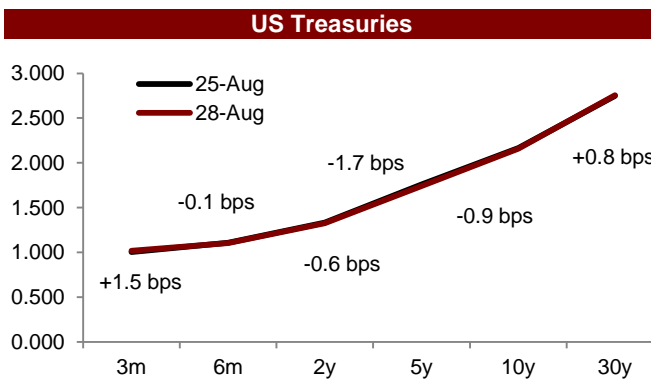
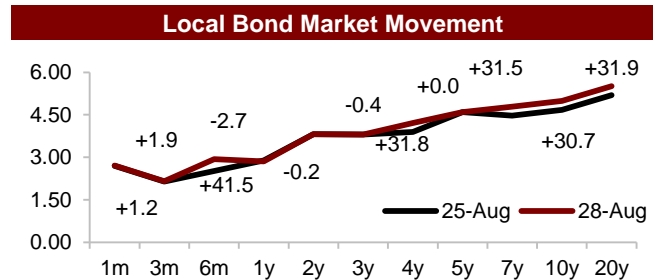
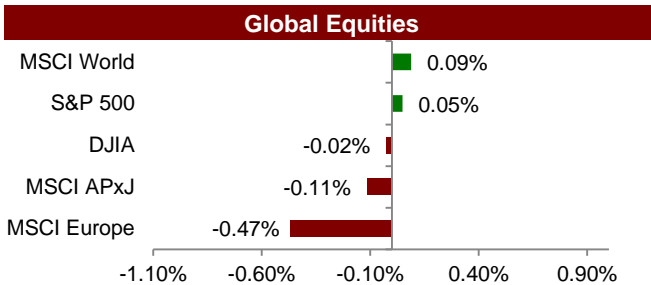
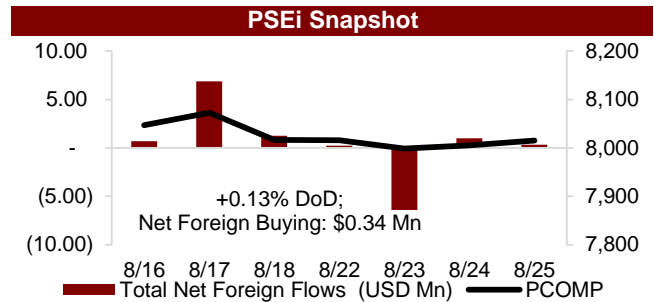


Equity markets were mixed with investors evaluating the impact on global energy markets of shutdowns of refineries in the US, and as the strength of the euro dampened appetite for equities in Europe. Chinese stocks bucked the trend on good earnings reports. The US dollar and US Treasury yields inched lower as markets continued to digest the lack of hawkishness in Yellen's Jackson Hole statements.

- ✓ **Local markets were closed on Monday, August 28, in observance of the National Heroes' Day holiday.**
- ✓ The **local equities market** went up on Friday as investors went bargain hunting ahead of the long day weekend and the Jackson Hole meeting. The PSEi increased by 10.21 points or 0.13%, closing at 8,015.14.
- ✓ In the **local fixed income market**, prices of government securities fell as investors took caution ahead of the upcoming Php15 billion T-bill auction to be held on Tuesday next week. Yields went up by an average of 13.94 bps, led by the long-end which increased by 20.87 bps.

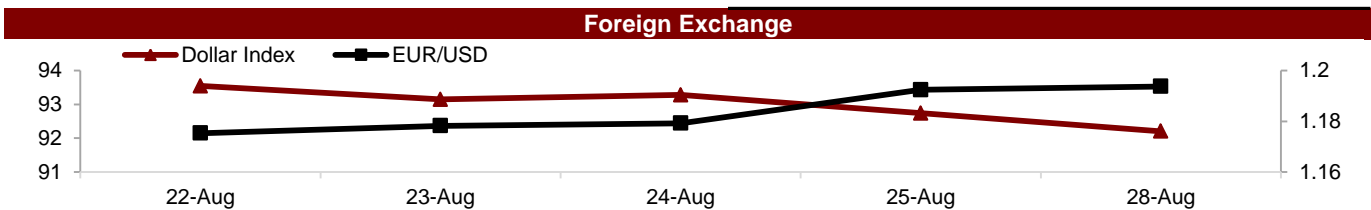


- ✓ **US equities** were flat with energy stocks declining as hurricane Harvey hit Texas, but investors bought refineries as they are expected to benefit from the resulting lower supply. The DJIA ended at 21,808.40 (-0.02% DoD) while the S&P 500 was at 2,444.24 (+0.05% DoD).
- ✓ **European equities** were pulled down by exporters as the euro climbed to its strongest since the start of 2015 following ECB President's speech in the Jackson Hole convention. The MSCI Europe closed 0.47% lower to 125.69.
- ✓ **Asian shares** were down as investors priced in the effects of the hurricane in the US to global energy prices. Some of the losses were offset by gains in Chinese stocks on good earnings report. The MSCI Asia Pacific ex-Japan ended at 530.98, down 0.11%.
- ✓ **Yields of US Treasuries** inched lower on strong demand for the 5-year Treasury notes and ahead of a data-packed week. The yield curve lost 0.15 bps, with 10-year yields losing 0.88 bps to 2.1571%.

- ✓ On Friday, the **Philippine peso** depreciated against the dollar as investors took caution ahead of the Jackson Hole meeting as Fed Chair Janet Yellen and ECB President Mario Draghi are set to give speeches at the convention during the weekend. The USD/PHP slipped 0.16%, closing at 51.08.
- ✓ The **US dollar** continued its weakness following Yellen's speech which lacked the hawkish tone that investors were expecting. The DXY closed at 92.207 (-0.57% DoD).

Foreign Exchange

USD/PHP	Previous Close	51.000
	Close	51.080
EUR/USD	Previous Close	1.1792
	Indicative Rate	1.1797



Key Indicators

YIELDS AND PRICES	28-Aug-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.16	0.00%	-0.02%	-0.81%	-0.50%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.86	0.00%	-0.12%	-0.16%	0.49%
ROP2021 (Price)	106.41	0.03	0.04	(0.02)	(1.96)
ROP2034 (Price)	135.16	0.01	0.38	1.11	4.69
3-Month US Treasury Yield	1.02	0.02%	0.04%	-0.06%	0.86%
3-Month German Treasury Bill Yield	(0.64)	0.03%	0.04%	-0.04%	-0.12%
Dubai Crude Oil Spot (\$/bbl)	50.77	0.00%	-0.33%	1.22%	58.01%
Gold Spot (\$/oz)	1,308.35	1.31%	1.27%	3.05%	23.26%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
8/31/2017	Bank Lending YoY	July	18.3%
8/31/2017	Money Supply M3 SRF YoY	July	13.2%

Developed Markets

Date	Country	Event	Period	Prior
8/30/2017	US	GDP Annualized QoQ	2Q	2.6%
9/1/2017	Europe	Markit Eurozone Manufacturing PMI	August	57.4
8/29/2017	Japan	Jobless Rate	July	2.8%

Emerging Markets

Date	Country	Event	Period	Prior
9/1/2017	China	Caixin China PMI Mfg	August	51.1
8/31/2017	Indonesia	Money Supply M1 / M2 YoY	July	17.8% / 11.4%
9/1/2017	India	Nikkei India PMI Mfg	August	47.9

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