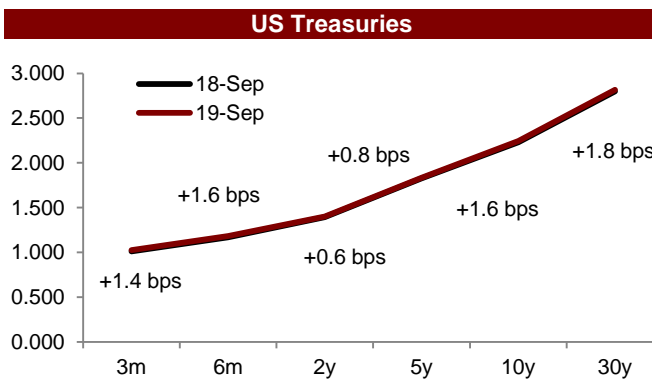
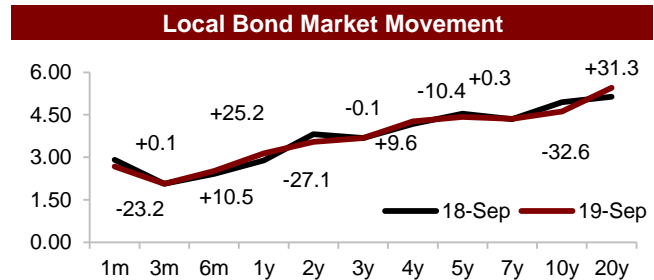
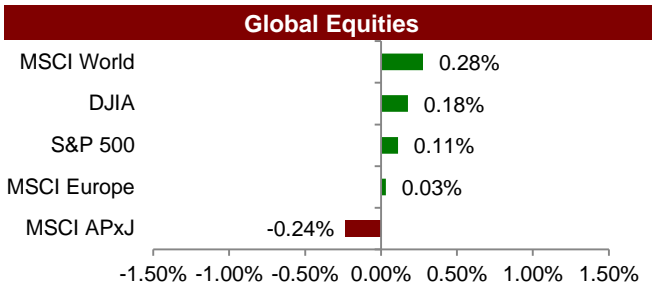
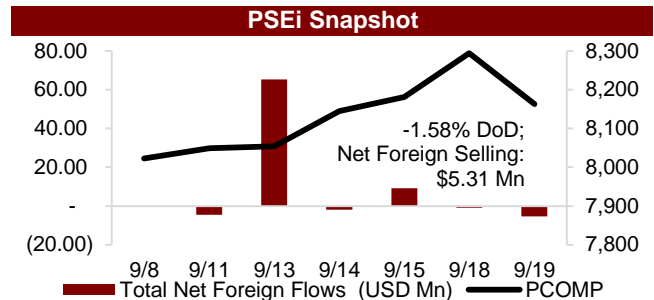


Major market indices experienced marginal movements ahead of several central bank policy meetings on Thursday. US Treasury yields were relatively flat with slight upward bias as investors search for clues on a December rate hike, while the US Dollar fell as US President Trump threatened to "destroy" North Korea if it threatened the US or its allies.

- ✓ The **local equities market** suffered from profit-taking after it failed to breach the 8,300 resistance level. Both local and foreign (Php272Mn net foreign outflows) players locked in gains from some of the top gainers for the year. The PSEi lost 131.44 points (or -1.58%) to close at 8,162.70.
- ✓ In the **local fixed income market**, yields trended lower for a second day as market participants sought safe haven assets ahead of key policy decisions from the FOMC on Wednesday and the BSP on Thursday. Yields fell by an average of 1.36 bps, led by the belly (-5.51 bps average).

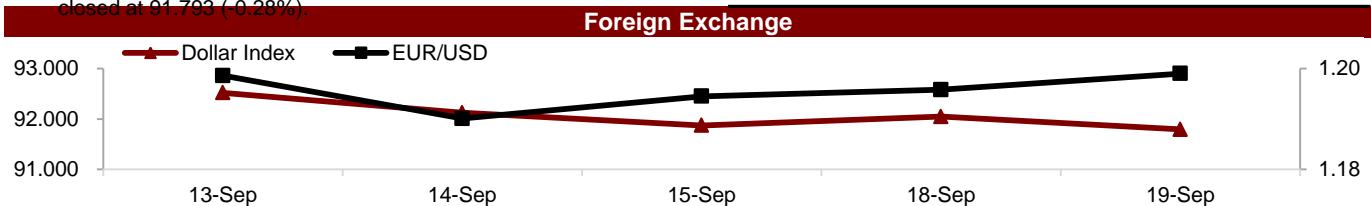


- ✓ **US equities** edged marginally higher as investors stayed cautious ahead of the FED meeting on Thursday. While the FED is widely expected to begin the unwinding of its balance sheet, investors are still searching for clues on a December rate hike. The DJIA closed at 22,370.80 (+0.18% DoD) while the S&P 500 was at 2,506.65 (+0.11% DoD).
- ✓ **European equities** ended flat after investors remained cautious ahead of major central banks' meetings. Investors ignored the improving data on the Eurozone's current account position and construction output. The July ECB Current Account SA was at \$25.1bn (prior at \$21.2bn), while the Construction Output MoM was at 0.2% (prior at -0.5%). The MSCI Europe climbed to 128.91, up by 0.03%.
- ✓ **Asian shares** marginally fell as profit-taking ensued, with investors tuning into the FED, BOJ and BSP policy meetings on Thursday. The MSCI APxJ slid to 543.12 (-0.24%).
- ✓ **US Treasury yields** rose as investors await indications of another rate hike by the end of the year, with focus turning to FED Chair Yellen's view on inflation. Yields on average rose by 1.31 bps, while the US 10-yr yield inclined 1.59 bps to close at 2.245%.

- ✓ The **Philippine peso** rose despite heavy net foreign selling in the equities market, as traders offloaded export receipts. The USDPHP pair rose to 50.92, an effective 0.36% appreciation of the local currency.
- ✓ The **US dollar** mildly retreated due mixed readings on US housing data, a potential drag to overall growth. Housing starts were broadly in line with expectations, however, outlook remained somehow gloomy due to the contraction in the permits for single-family home, which accounts for a large share of the overall housing market. The US Dollar Index closed at 91.793 (-0.28%).

Foreign Exchange

USD/PHP	Previous Close	51.100
	Close	50.915
EUR/USD	Previous Close	1.1958
	Indicative Rate	1.1981



Key Indicators

YIELDS AND PRICES	19-Sep-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.06	0.00%	-0.90%	-0.12%	-0.60%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.14	0.25%	0.24%	0.16%	0.77%
ROP2021 (Price)	106.35	(0.05)	(0.12)	(0.10)	(2.01)
ROP2034 (Price)	135.73	(0.07)	(0.53)	0.97	5.26
3-Month US Treasury Yield	1.03	0.01%	0.00%	0.03%	0.86%
3-Month German Treasury Bill Yield	(0.66)	0.01%	0.04%	0.02%	-0.14%
Dubai Crude Oil Spot (\$/bbl)	54.21	-0.26%	4.01%	9.83%	68.72%
Gold Spot (\$/oz)	1,311.10	0.27%	-1.56%	2.11%	23.52%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
9/21/2017	BSP Overnight Borrowing Rate	Sep	3.0%
9/21/2017	BSP Standing Overnight Deposit Facility ODF Rate	Sep	2.5%

Developed Markets

Date	Country	Event	Period	Prior
9/20/2017	US	MBA Mortgage Applications	Sep	9.9%
9/21/2017	Europe	Consumer Confidence	Sep A	1.5
9/20/2017	Japan	Trade Balance	Aug	¥418.8bn

Emerging Markets

Date	Country	Event	Period	Prior
9/20/2017	Taiwan	Export Orders YoY	Aug	10.5%
9/22/2017	Thailand	Foreign Reserves	Sep	\$199.3bn
9/25/2017	Singapore	CPI YoY	Aug	1.6%

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