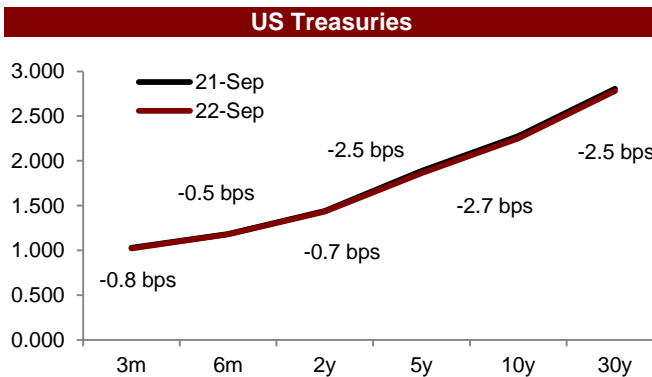
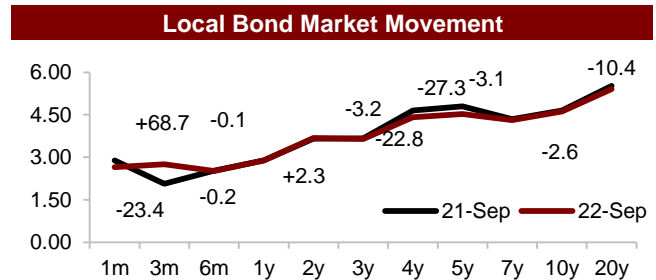
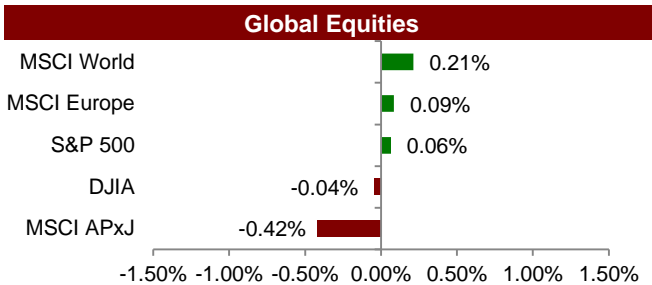
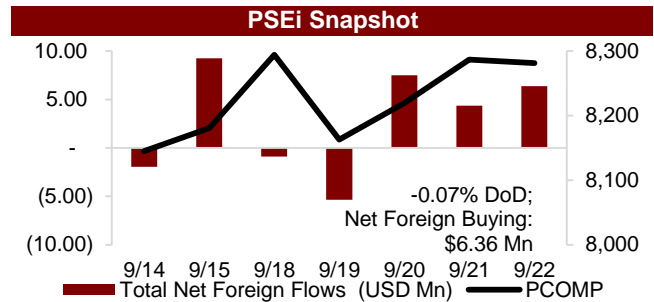


US equities ended mixed while the USD fell due to further geopolitical escalation between North Korea and the former, while European shares closed flat as market participants took a wait-and-see stance ahead of the German Elections on Sunday. US Treasury yields fell amid bargain hunting after the FOMC decision late last week.

- ✓ The **local equities market** ended on a decline after a two-day rally as investors took profits as markets breached 8,300 intra-day, and as the latest bomb threats from North Korea frightened markets. The PSEi fell by 5.59 points or 0.07%, closing at 8,281.27.
- ✓ In the **local fixed income market**, prices of government securities rose. But yields on the short-end of the curve rising as investors took caution ahead of the Php15 billion T-bill auction to be held on Monday next week. On average, yields declined by 1.84 bps, led by belly curve which fell by 10.82 bps.

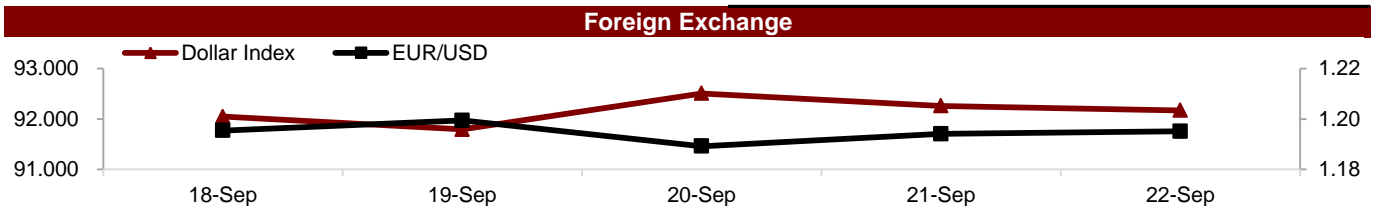


- ✓ **US equities** ended mixed after geopolitical tensions in North Korea pared gains from the refusal of Republican Sen. John McCain to sign the repeal for the Affordable Care Act. The DJIA closed at 22,349.59 (-0.04% DoD) while the S&P 500 was at 2,502.22 (+0.06% DoD).
- ✓ **European equities** increased with marginal movements as investors stayed on the sidelines ahead of the German elections on Sunday where Angela Merkel is poised for her fourth straight win as Chancellor. The MSCI Europe edged higher to 129.33, up by 0.09%.
- ✓ **Asian shares** declined in light of concerns over fading economic growth in India amid its budget deficit troubles and expectations of the latter widening further. The MSCI APxJ fell to 538.55 (-0.42%).
- ✓ **US Treasury yields** declined as bargain hunting ensued after 7 straight days of increases after the Federal Reserve confirmed it would start trimming its 4.5 trillion balance sheet after months of deliberation. Yields on average shed 1.61 bps, while the US 10-yr yield fell by 2.66 bps to close at 2.250%.

- ✓ The **Philippine peso** appreciated against the dollar as President Donald Trump announced new U.S sanctions that focuses on companies that have dealings with North Korea. The USD/PHP closed at 50.73 (+0.70% against the USD).
- ✓ The **US dollar** fell after North Korea stated it may test a Hydrogen Bomb in the Pacific Ocean. The US Dollar Index closed at 92.171 (-0.10%).

Foreign Exchange

USD/PHP	Previous Close	51.080
	Close	50.725
EUR/USD	Previous Close	1.1903
	Indicative Rate	1.1998



Key Indicators

YIELDS AND PRICES	22-Sep-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.76	0.69%	-0.16%	0.58%	0.09%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.89	-0.00%	-0.00%	0.04%	0.52%
ROP2021 (Price)	106.22	0.04	(0.23)	(0.09)	(2.14)
ROP2034 (Price)	135.53	0.03	(0.33)	0.69	5.06
3-Month US Treasury Yield	1.02	-0.01%	-0.01%	0.02%	0.86%
3-Month German Treasury Bill Yield	(0.67)	0.00%	0.01%	0.00%	-0.16%
Dubai Crude Oil Spot (\$/bbl)	54.98	0.59%	1.42%	9.54%	71.12%
Gold Spot (\$/oz)	1,297.40	0.48%	-1.72%	0.95%	22.23%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
9/29/2017	Budget Balance PHP	Aug	50.5bn
9/29/2017	Bank Lending YoY	Aug	18.7%

Developed Markets

Date	Country	Event	Period	Prior
9/25/2017	US	Chicago Federal National Activity Index	Aug	-0.01
9/29/2017	Europe	Markit Eurozone Manufacturing PMI SA	Sep	57.4
9/25/2017	Japan	Nikkei Japan PMI Manufacturing	Sep	52.2

Emerging Markets

Date	Country	Event	Period	Prior
9/29/2017	India	Fiscal Deficit INR Crore	Aug	63211
9/27/2017	Thailand	BOT Benchmark Interest Rate	Sep	1.50%
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