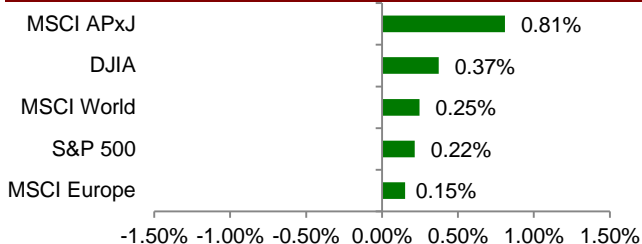


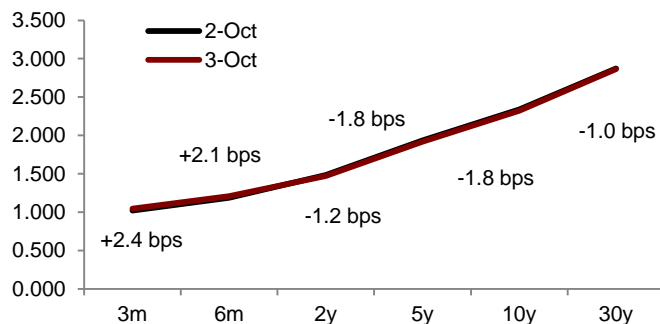
Global equity markets were up with sentiments boosted by uplifting data in the US. Movement of government bond yields in the US was mixed following statement from Fed Governor Powell of a less restrictive regulation. The dollar was flat as markets also priced in the attack in Las Vegas.

- ✓ The **local equities** market continued its winning streak as investors took interest in retail securities (e.g. RRHI +5.00%, PGOLD +4.57%). Favorable investor sentiment from overseas equity markets may have spilled over to the Philippines, supporting continued gains among the large-caps. The PSEI went up by 56.65 points or 0.69%, closing at 8,312.93.
- ✓ In the **local fixed income market**, prices of government securities were flat with a slight upward bias as investors took a more cautious stance in light of political risk (e.g. US shootings, progress on local tax reform, etc.). Yields decreased by an average of 0.70 bps, led by the short end of the curve which fell by 5.23 bps.

Global Equities

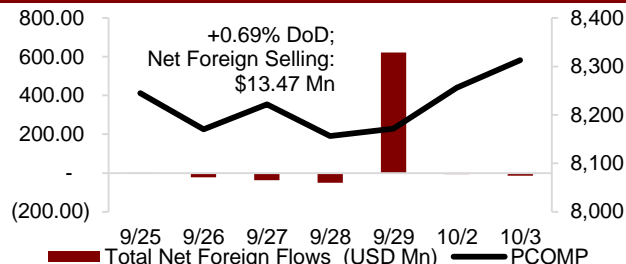


US Treasuries

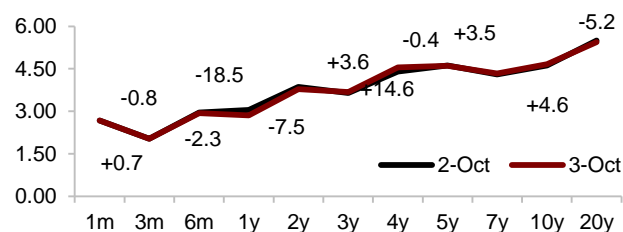


- ✓ The **Philippine peso** was flat against the dollar as investors digested the risk of monetary tightening amid strong economic data. The USD/PHP closed at the 51.050 level, with the Peso strengthening by 0.06%.
- ✓ The **US dollar** was flat following the shooting in Las Vegas, and as investors remained focused on the Fed's timeline on interest rate hikes over the next 12 months. The DXY ended at 93.569, up 0.01% DoD.

PSEI Snapshot



Local Bond Market Movement

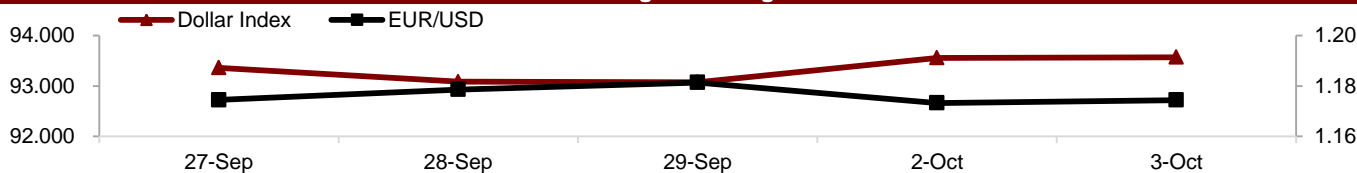


- ✓ **US equities** closed at new records following upbeat economic data. Particularly, US manufacturing activity hit 13-year highs, and vehicle sales posted its best month of the year. The Dow Jones Industrial Average closed at 22,641.67 (+0.37% DoD) while the S&P 500 was at 2,534.58 (+0.22% DoD).
- ✓ The uptrend of the **European stocks** is losing momentum as trading range tightened following heightening political risk and volume lightened with the German markets being closed in observance of the Unity Day holiday. MSCI Europe added 0.15% to 131.88.
- ✓ Optimism welcoming strong data in the US precipitated to **Asian equity markets**, with Hong Kong leading the gains of indices in the region. The MSCI APxJ was 0.81% higher to 535.79.
- ✓ **US Treasury yields** fell following Fed Governor Jerome Powell's comments on US financial regulation. Powell echoed one of Trump's economic themes as he suggested that balanced regulation was needed to support higher US growth. On average, yields fell 0.21 bps with the 10-year falling to 2.3229% (-1.79 bps DoD).

Foreign Exchange

USD/PHP	Previous Close	51.080
	Close	51.050
EUR/USD	Previous Close	1.1733
	Indicative Rate	1.1744

Foreign Exchange



Key Indicators

YIELDS AND PRICES	3-Oct-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.03	-0.01%	-0.01%	-0.09%	-0.64%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.86	-0.19%	0.00%	-0.03%	0.49%
ROP2021 (Price)	105.99	(0.11)	(0.23)	(0.49)	(2.37)
ROP2034 (Price)	134.20	(0.44)	(1.55)	(1.44)	3.73
3-Month US Treasury Yield	1.04	0.02%	-0.01%	0.04%	0.88%
3-Month German Treasury Bill Yield	(0.66)	0.00%	0.02%	0.03%	-0.15%
Dubai Crude Oil Spot (\$/bbl)	54.58	-0.98%	-4.20%	7.31%	69.87%
Gold Spot (\$/oz)	1,271.65	0.06%	-1.74%	-4.02%	19.81%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
10/5/2017	CPI YoY / Core CPI YoY	Sep	3.1% / 3.0%
10/6/2017	Foreign Reserves	Sep	\$ 81.5 Bn

Developed Markets

Date	Country	Event	Period	Prior
10/4/2017	US	Factory Orders	Sep	237 K
10/4/2017	Europe	Markit Eurozone Composite PMI	Sep	56.7
10/4/2017	Japan	Nikkei Japan PMI Composite	Sep	51.9

Emerging Markets

Date	Country	Event	Period	Prior
10/4/2017	India	RBI Repurchase / Reverse Repo Rate	4-Oct	6% / 5.75%
10/6/2017	Indonesia	Foreign Reserves	Sep	\$128.79 Bn
10/7/2017	China	Foreign Direct Investment YoY CNY	Sep	9.10%

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

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