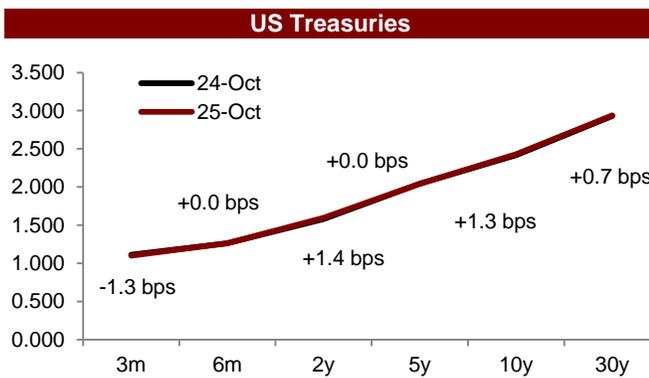
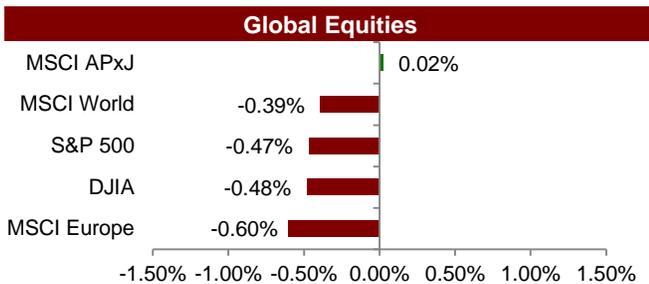
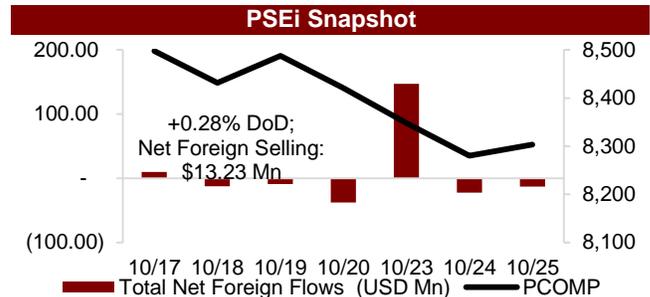


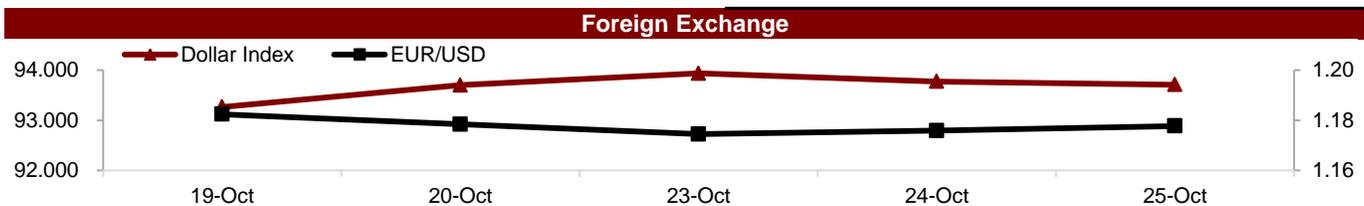
Global equity markets were mostly lower as corporate earnings failed to satisfy investors and ahead of the ECB meeting that is expected to result in less liquidity. Yields of US Treasuries spiked on the prospect of a hawkish new Fed Governor and strong economic data. Nevertheless, the dollar failed to rally as investors were aloof absent clarity of the Fed's new voice.

- ✓ The local equities market ended the day in positive territory, closing above the 8,300-level once again. Investors are likely to be repositioning ahead of the first batch of earnings later this week. The PSEi gained 23.43 points or 0.28%, closing at 8,303.35.
- ✓ In the local fixed income market, yields of government securities rose on general risk-off sentiment and following the spike in US Treasury yields. On average, yields rose by 0.11 bps, as the curve steepened, with the long-end up 4.27 bps.



- ✓ **US equities** retreated following disappointing earnings results. However, investors saw the pull back as a chance to buy at comfortable levels which kept indices from losing ground. The Dow Jones Industrial Average was at 23,329.46 (-0.48% DoD) while the S&P 500 was at 2,557.15 (-0.47% DoD).
- ✓ **European equities** declined to a month-low ahead of the ECB meeting, expectations for which is a scaled back easing, and saddled with corporate earnings print. The MSCI Europe ended at 130.75 (-0.60% DoD).
- ✓ **Asian equities** managed to end up in positive territory, led by India in which the government pledged to provide about USD32 billion support for state-owned banks—a move applauded by investors and credit rating agencies alike. The MSCI APxJ ended at 547.71 (0.02% DoD).
- ✓ **US Treasury yields** rose with the 10-year reaching its seven-month high. Speculations on John Taylor as the next Fed Chair coupled with robust US data gave investors the impression that interest rates are likely to rise soon. On average, yields rose 0.36 bps with the 10-year rising to 2.4317%.

Pair	Previous Close	Close
USD/PHP	51.540	51.770
EUR/USD	1.1759	1.1767



Key Indicators

YIELDS AND PRICES	25-Oct-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.07	-0.11%	0.02%	-0.84%	-0.59%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.87	0.01%	0.02%	0.02%	0.50%
ROP2021 (Price)	105.56	(0.15)	(0.36)	(0.70)	(2.80)
ROP2034 (Price)	133.55	(0.32)	(1.03)	(2.22)	3.09
3-Month US Treasury Yield	1.10	-0.01%	0.01%	0.09%	0.94%
3-Month German Treasury Bill Yield	(0.80)	-0.00%	-0.06%	-0.12%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	56.03	1.65%	-0.46%	0.79%	74.39%
Gold Spot (\$/oz)	1,277.42	0.05%	-0.28%	-2.55%	20.35%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
10/31/2017	Bank Lending YoY	Sep	17.9%
11/7/2017	CPI YoY	Oct	3.4%

Developed Markets

Date	Country	Event	Period	Prior
10/27/2017	US	GDP Annualized QoQ	3Q	3.1%
10/30/2017	Europe	Consumer Confidence	Oct	-1.0
10/27/2017	Japan	Tokyo CPI Ex-Fresh Food YoY	Oct	0.5%

Emerging Markets

Date	Country	Event	Period	Prior
10/27/2017	China	Industrial Profits YoY	Sep	24.0%
10/31/2017	China	Manufacturing PMI	Oct	52.4%
10/31/2017	Indonesia	Money Supply M1 / M2 YoY	Sep	12.3% / 10.0%

Sources: BPI, Reuters, Bloomberg, PSE, CNN, MarketWatch, The Wall Street Journal, CNBC, Business World

www.bpiassetmanagement.com



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