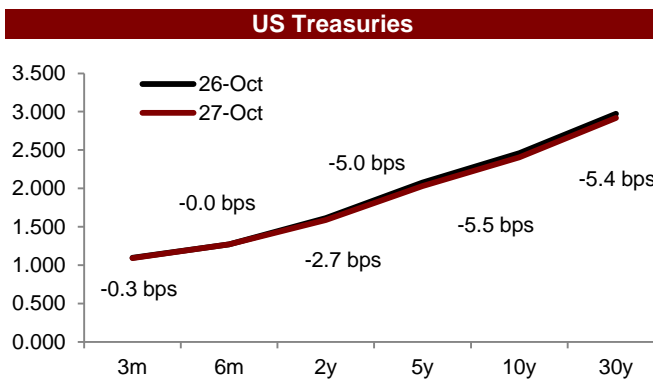
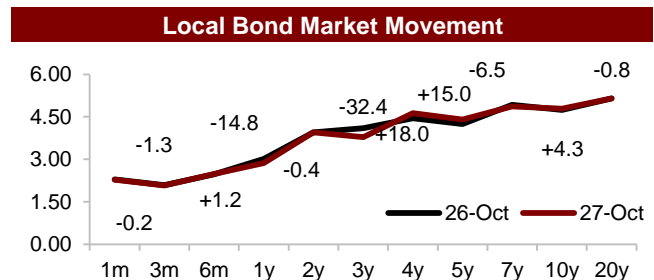
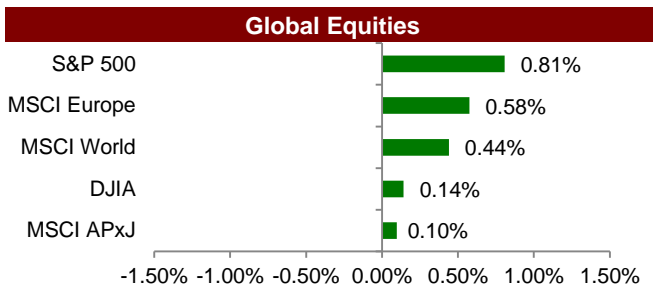
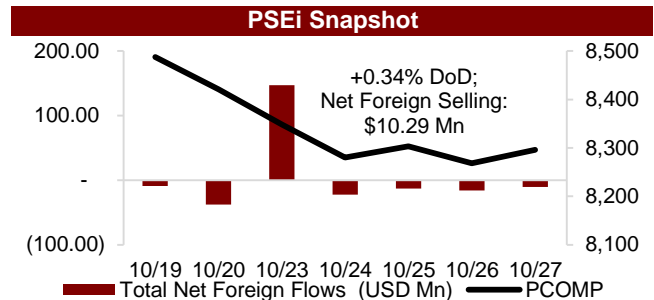


Global equities were up as positive sentiment from the US spilled over to global markets. The US dollar continued to climb owing to strong economic data. Meanwhile, US Treasury yields fell as investors sought haven assets.

- ✓ The **local equities market** was flat with a slight upward bias as short-term momentum indicators for large-cap names suggested a bearish turn. Only the Holding Firms closed negative by end of day (-0.03% DoD). The PSEi gained 28.03 points or 0.34%, closing at 8,295.95.
- ✓ In the **local fixed income market**, yields of government securities fell, bucking the trends in US Treasuries. The higher likelihood of the passage of the US tax reform program failed to turn local sentiment negative. On average, yields fell by 1.62 bps, led by the short-end, which fell 3.78 bps DoD.

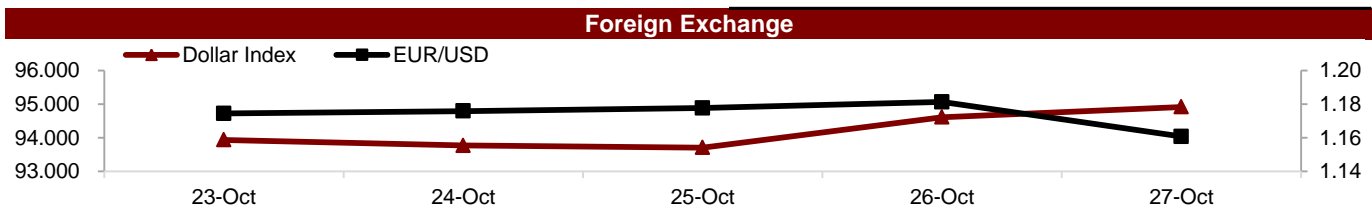


- ✓ **US equities** closed higher, buoyed by strong US data coupled with robust earnings from the tech sector. Strong performances from Amazon, Microsoft, Alphabet, and Intel further supported the rally in US markets. The Dow Jones Industrial Average closed at 23,434.19 (+0.14% DoD) while the S&P 500 was at 2,581.07 (+0.81% DoD).
- ✓ Overall, **European equities** closed higher despite a decline in Spanish stocks. Political crisis continued to weigh on Spain's markets as the government moved to impose direct rule over Catalonia. The MSCI Europe ended at 132.88 (+0.58% DoD).
- ✓ Positive sentiment due to progress in the US tax reform and strong corporate earnings spilled over to **Asian equities**, causing most indices to rise. The MSCI APxJ ended at 546.67 (+0.10% DoD).
- ✓ **US Treasury yields** fell after tensions in Spain caused investors to move to haven assets, and as the hype over the next Fed Chair somewhat subdued. On average, yields fell 3.13 bps with the 10-year declining to 2.406% (-5.45 bps DoD).

- ✓ The **Philippine peso** was flat with a slight downward bias as continued speculation over a hawkish fed chair replacement encourages investor flight to US dollars. The USDPHP closed at 51.760, weakening 0.02% DoD.
- ✓ The **US dollar** continued to strengthen following 3Q US GDP print. The economy grew 3% in the quarter (consensus: 2.7%) owing to strong consumer and business spending. The DXY ended at 94.916, up 0.32% day-on-day.

Foreign Exchange

USD/PHP	Previous Close	51.750
	Close	51.760
EUR/USD	Previous Close	1.1813
	Indicative Rate	1.1624



Key Indicators

YIELDS AND PRICES	27-Oct-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.07	-0.01%	-0.36%	0.04%	-0.59%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.86	-0.15%	0.01%	0.02%	0.49%
ROP2021 (Price)	105.46	(0.05)	(0.37)	(0.65)	(2.90)
ROP2034 (Price)	133.35	(0.26)	(0.78)	(1.65)	2.88
3-Month US Treasury Yield	1.09	-0.00%	-0.01%	0.05%	0.93%
3-Month German Treasury Bill Yield	(0.80)	0.00%	0.00%	-0.08%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	57.19	1.62%	4.49%	1.33%	78.00%
Gold Spot (\$/oz)	1,273.88	0.55%	-0.52%	-0.70%	20.02%

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
11/1/2017	US	ISM Manufacturing	Oct	60.8
10/30/2017	Europe	Consumer Confidence	Oct	-1.0
10/31/2017	Japan	Jobless Rate	Sep	2.8%

Emerging Markets

Date	Country	Event	Period	Prior
11/1/2017	India	Nikkei India PMI Mfg	Oct	51.2
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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