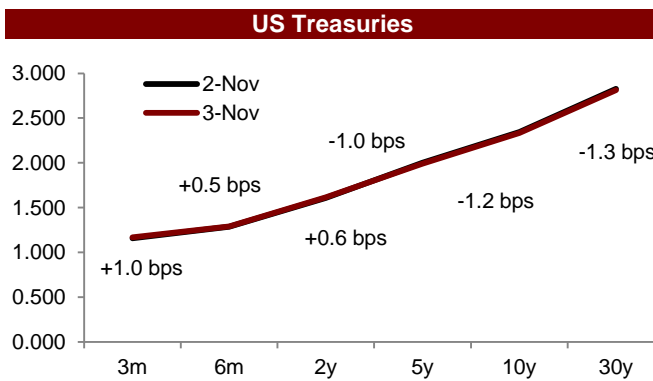
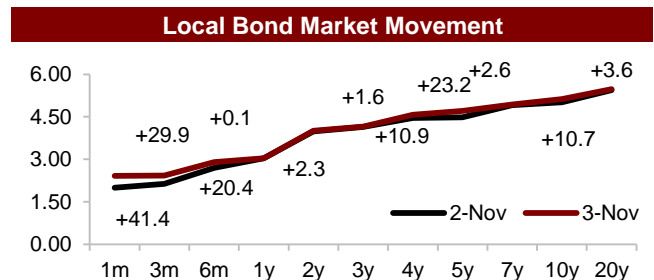
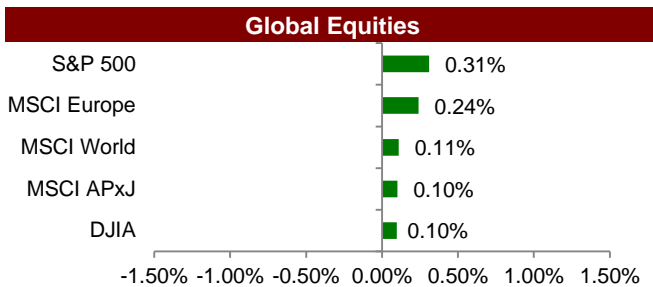
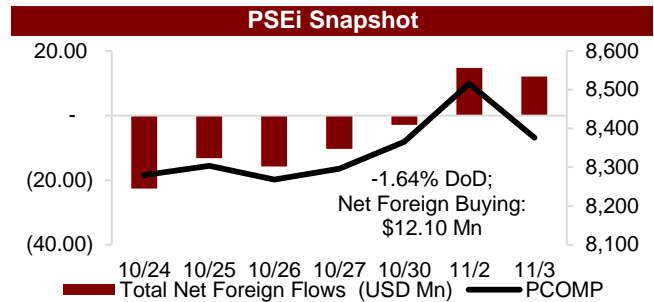


Global equities reached fresh highs due to broad optimism towards global growth, which is supported by strong corporate earnings across regions. The weaker-than-expected US Non-Farm Payrolls print boosted some buying of US Treasuries.

- ✓ **Local equities** closed lower as local investors were quick to take profit after the bourse hit an all-time intra-day high of 8,574.24. Nonetheless, we saw strong foreign client buying at US\$ 12.10 mn. The PSEi ended at 8,376.13 (-1.64% DoD).
- ✓ In the **local fixed income market**, yields were broadly higher due to thin trading. The total traded volume was only at PhP2.65 billion, almost half of day prior. Yields rose 13.33 bps, on average, led by short end (+22.9 bps).

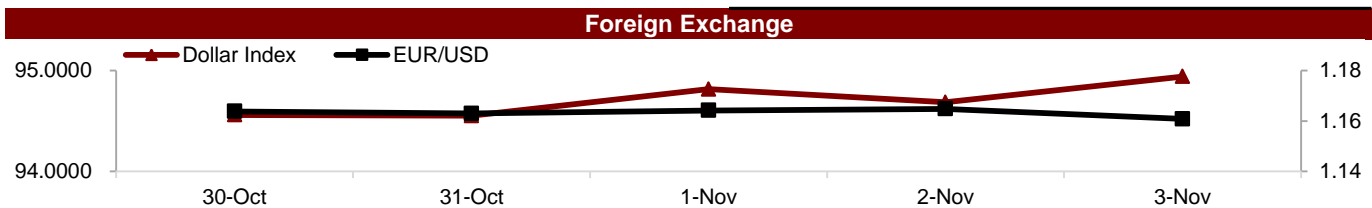


- ✓ **US equities** was buoyed to record highs, led by tech shares led by as Apple Inc. on the back of robust corporate earnings. The Dow Jones Industrial Average closed at 23,539.19 (+0.10% DoD) while the S&P 500 ended at 2,045.47 (+0.31% DoD).
- ✓ **European equities** closed broadly higher as optimism spilled over from the US market. The MSCI Europe closed at 133.72 (0.24% DoD).
- ✓ **Asian equities** ended mixed as investors assessed the formal nomination of Powell as the next Federal Reserve Chairman, while others remained cautious ahead of the U.S. jobs report. The MSCI Asia Pacific ex-Japan closed at 556.66 (0.10% DoD).
- ✓ **US Treasury yields** continued declining after the release of lower-than-expected US non-farm payrolls figure (cons. at 310k, actual at 261k). Nonetheless, as market players continue to price-in a December rate hike (prob. at 92.5%). On average, yields fell 0.22 bps with the 10-year dropped to 2.3325% (-1.25 bps DoD).

- ✓ The **Philippine peso** continued gaining ground on strong foreign investor buying in the local stock market. The Philippine peso appreciated by 0.41% DoD and closed at 51.210.
- ✓ The **US dollar** rose marginally after a 12 month high in ISM services index offset the lower-than-expected Non-farm payrolls data. The DXY edged higher at 94.941 (+0.27% DoD). The EURUSD was relatively flat at 1.1647.

Foreign Exchange

USD/PHP	Previous Close	51.420
	Close	51.210
EUR/USD	Previous Close	1.1648
	Indicative Rate	1.1647



Key Indicators

YIELDS AND PRICES	3-Nov-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.43	0.30%	0.36%	0.40%	-0.23%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.04	0.00%	0.17%	0.18%	0.67%
ROP2021 (Price)	105.50	(0.00)	(0.07)	(0.55)	(2.90)
ROP2034 (Price)	133.83	0.14	0.39	(0.44)	3.21
3-Month US Treasury Yield	1.17	0.01%	0.08%	0.12%	1.01%
3-Month German Treasury Bill Yield	(0.79)	-0.01%	0.00%	-0.13%	-0.28%
Dubai Crude Oil Spot (\$/bbl)	59.07	0.94%	3.29%	8.23%	83.85%
Gold Spot (\$/oz)	1,269.72	-0.50%	-0.33%	-0.15%	19.62%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
11/7/2017	CPI YoY	Oct	3.4%
11/9/2017	BSP Overnight Borrowing Rate	Oct	3.0%

Developed Markets

Date	Country	Event	Period	Prior
11/8/2017	US	MBA Mortgage Applications	Nov	-2.6%
11/6/2017	Europe	Markit Eurozone Services PMI	Oct	54.9
11/6/2017	Japan	Nikkei Japan PMI Composite	Oct	51.70

Emerging Markets

Date	Country	Event	Period	Prior
11/10/2017	India	Industrial Production YoY	Sep	4.3%
11/6/2017	China	BOP Current Account Balance	3Q	\$50.9bn
11/6/2017	Indonesia	GDP Growth (%)	3Q	5.01%

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

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