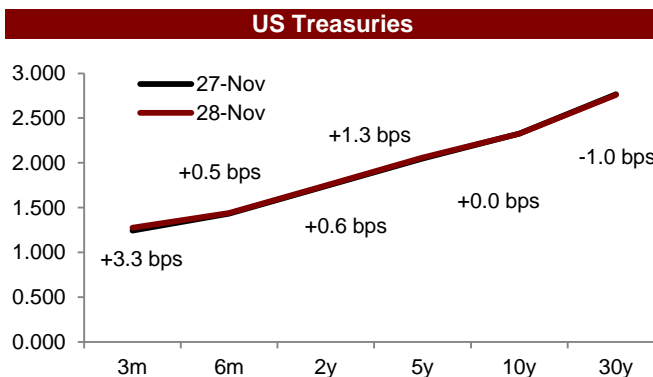
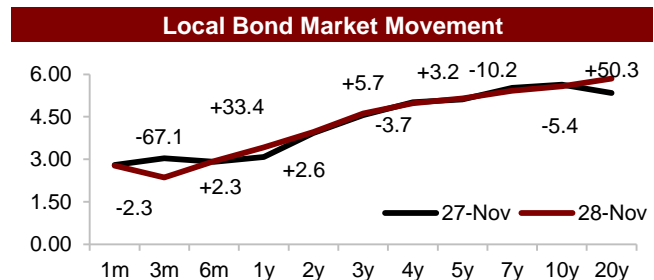
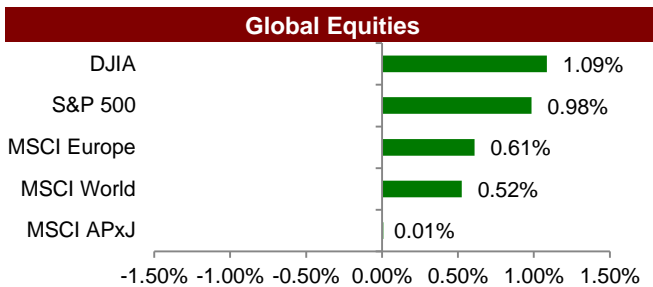
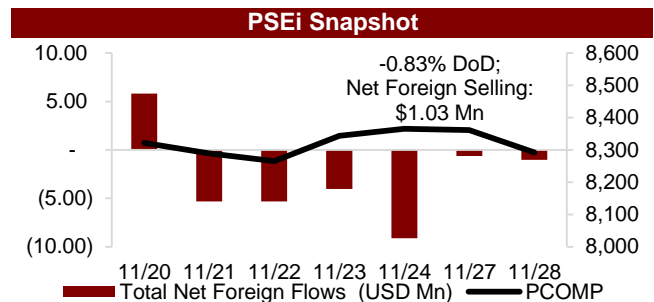


Global equities and the US dollar rallied as the US tax reform comes closer to reality. Markets shrugged off worries over the ballistic missile fired by North Korea, as investors focused on the strength of economic growth. Meanwhile, US Treasury yields ended flat with a slight upward bias despite dovish statements from Jerome Powell.

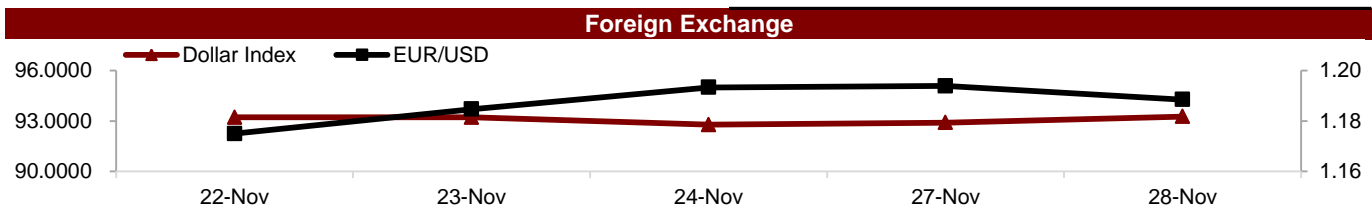
- ✓ **Local equities** retreated below the 8,300-level, propelled by the mining sector, following a majority vote from the senate to heavily tax mining firms. Coal tax will be raised to Php300/MT from Php10/MT, while excise taxes on mining resources was increased to 4% from 2%. The PSEi dropped to 8,291.88 (-0.83% DoD).
- ✓ Yields in the **Philippine fixed income market** increased mildly after investors chose to stay on the sidelines amid jitters from the Senate's amendments to the tax reform bill Package 1. On average, yields broadly rose (+0.80 bps DoD) driven by the long-end (+14.97bps DoD).



- ✓ **US equities** soared, boosted by the Senate Budget Committee's approval of the Republican tax plan. The DJIA rose to 23,836.71 (+1.09% DoD), while the S&P 500 rose to 2,627.04 (+0.98% DoD).
- ✓ **European equities** ended on the high ground amid bullish energy sector in London and expectations that Angela Merkel is close to forming a government in Germany. MSCI Europe closed at 130.64 (+0.61% DoD).
- ✓ **Asian equities** marginally increased as investors remain optimistic despite worries over North Korean missile testing. MSCI APxJ ended at 563.74 (+0.01% DoD).
- ✓ **US Treasury yields** were relatively unchanged despite a dovish tone from Jerome Powell in his Senate confirmation hearing. On average, yields marginally increased by 0.78 bps, with the 10-year unchanged at 2.328.

- ✓ The **Philippine peso** strengthened against the greenback as investors stayed in the sidelines amid jitters over the confirmation hearing of Jerome Powell's appointment as Fed chairman. In the meeting this afternoon, he will render views over inflation and regulation. The local currency ended at 50.35 (+0.32% DoD).
- ✓ The **US dollar** climbed from a two-month low, supported by stronger than expected consumer confidence, which rose to 129.5 (vs. expected 124). The US dollar index rose to 93.27 (+0.39% DoD).

Pair	Previous Close	Current Rate
USD/PHP	50.510	50.350
EUR/USD	1.1939	1.1906



Key Indicators

YIELDS AND PRICES	28-Nov-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	3.03	0.01%	0.82%	0.96%	0.37%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.08	-0.33%	-0.20%	0.22%	0.71%
ROP2021 (Price)	105.08	(0.07)	(0.10)	(0.38)	(3.28)
ROP2034 (Price)	133.68	(0.08)	0.02	0.33	3.21
3-Month US Treasury Yield	1.24	-0.02%	-0.02%	0.15%	1.08%
3-Month German Treasury Bill Yield	(0.82)	-0.03%	-0.03%	-0.03%	-0.30%
Dubai Crude Oil Spot (\$/bbl)	61.39	0.47%	1.91%	7.34%	91.07%
Gold Spot (\$/oz)	1,294.55	0.45%	1.39%	1.62%	21.96%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
11/29/2017	Bank Lending YoY	Oct	20.1%
12/5/2017	CPI YoY	Nov	3.5%

Developed Markets

Date	Country	Event	Period	Prior
11/29/2017	US	3Q GDP Revision	3Q	3.0%
11/29/2017	Germany	CPI YoY	Nov	1.6%
11/30/2017	Japan	Core PCE YoY	Oct	1.3%

Emerging Markets

Date	Country	Event	Period	Prior
11/30/2017	India	GDP YoY	3Q	5.7%
11/30/2017	China	Manufacturing PMI	Nov	51.6
11/30/2017	Indonesia	Nikkei Indonesia Manufacturing PMI SA	Nov	50.1

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

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