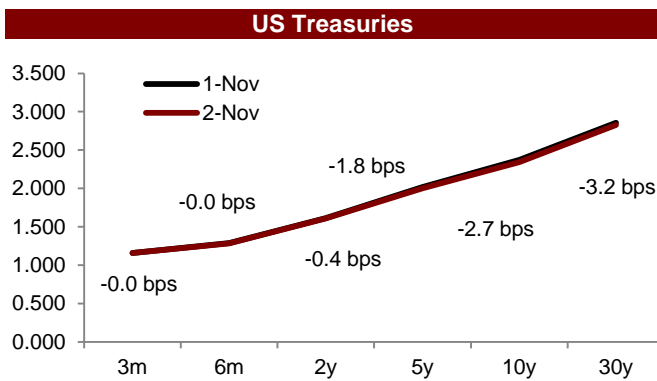
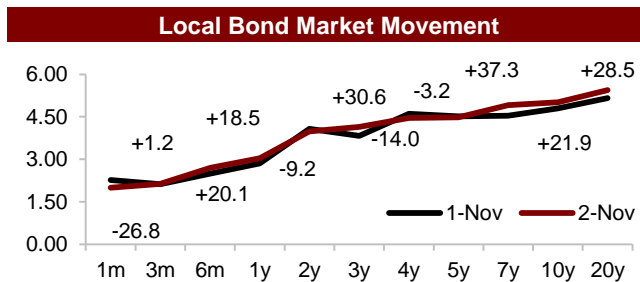
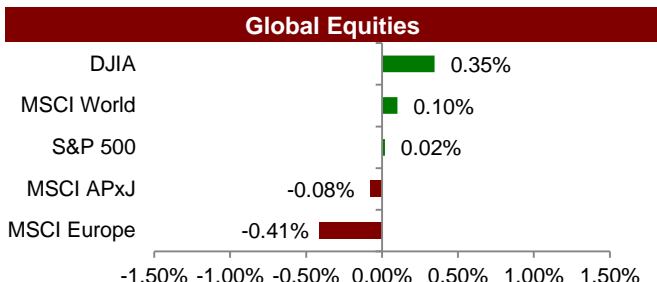
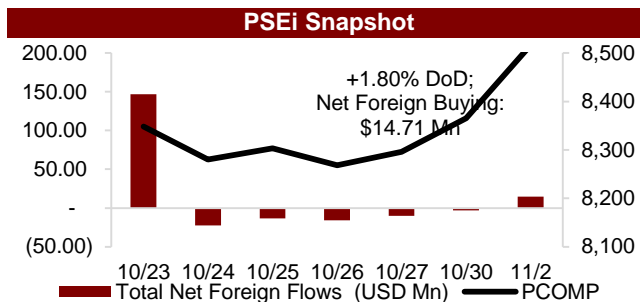


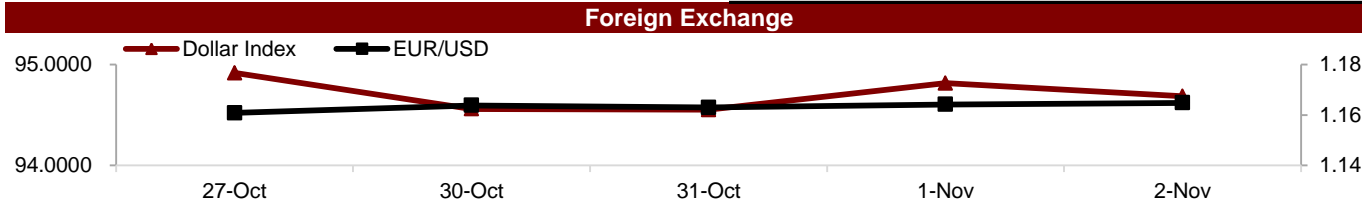
**Global investors were broadly relieved by the appointment of Powell as the next Fed Chair. Nonetheless, we saw cautious trading of risky assets as markets enter the season of corporate earnings results. Yields of US Treasuries fell as the market priced-in a more dovish Fed moving forward.**

- ✓ **Local equities** rose on optimism surrounding the upward surprise on the US GDP 3Q17 figure and traders pricing in dovish US central bank. The PSEi broke above the 8500-level and settled at 8,516.02, an all-time high (+1.802% DoD).
- ✓ In the **local fixed income market**, yields of government securities rose on the back of light trading. More so, despite the appointment of dovish Powell as the next Fed Chair, the market continues to price in a December Fed rate hike. Yields rose by 9.54 bps, on average, led by the long end (+16.81 bps, DoD).



- ✓ **US equities** ended flat, with slight upward bias, ahead of the release of labor market data. The Dow Jones Industrial Average closed at 23,516.26 (+0.35% DoD) while the S&P 500 ended at 2,579.85 (+0.02% DoD).
- ✓ **European equities** marginally declined as investors digested recent 3Q17 corporate earnings results and the hike set by the Bank of England to prevent the British economy from overheating. The MSCI Europe ended at 133.40 (-0.41% DoD).
- ✓ **Asian equities** were relatively unchanged after investors started to trade in the sidelines ahead of the December Fed rate hike and announcement of earnings results. The MSCI Asia Pacific ex-Japan closed at 556.10 (-0.08% DoD).
- ✓ **US Treasury yields** mildly declined after a Jerome Powell win in the Fed Chairmanship, which entails less hawkish moves moving forward as compared to his competition John Taylor. On average, yields fell 1.36 bps with the 10-year dropped to 2.345% (-2.71 bps DoD).

Pair	Previous Close	Current Rate
USD/PHP	51.610	51.420
EUR/USD	1.1642	1.1638



## Key Indicators

YIELDS AND PRICES	2-Nov-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.13	0.01%	0.05%	0.10%	-0.53%
1-Year Philippine Treasury Bill Yield (PDST-R2)	3.04	0.18%	0.02%	-0.01%	0.67%
ROP2021 (Price)	105.42	(0.12)	(0.09)	(0.67)	(2.94)
ROP2034 (Price)	133.57	(0.07)	(0.04)	(1.07)	3.10
3-Month US Treasury Yield	1.16	-0.00%	0.06%	0.14%	1.00%
3-Month German Treasury Bill Yield	(0.78)	0.02%	0.02%	-0.12%	-0.26%
Dubai Crude Oil Spot (\$/bbl)	58.52	-1.50%	3.98%	6.17%	82.14%
Gold Spot (\$/oz)	1,276.07	0.11%	0.72%	0.40%	20.22%

## 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
11/3/2017	US	Unemployment Rate	Oct	4.2%
11/3/2017	Germany	Factory Orders MoM	Sep	3.60%
11/6/2017	Japan	Nikkei Japan PMI Composite	Oct	51.70

### Emerging Markets

Date	Country	Event	Period	Prior
11/3/2017	India	Nikkei India PMI Mfg	Oct	51.2
11/3/2017	China	Caixin China PMI Composite	Oct	51.4
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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