

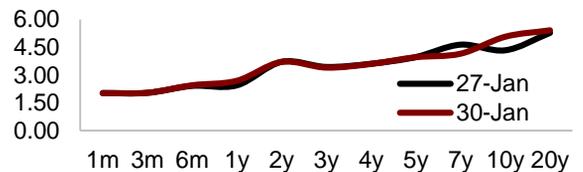
Investors continued to exhibit a risk-off attitude amid political uncertainty in the US following President Trump's executive order on immigration and a potential debt crunch in Europe. On the local front, local equities slightly advanced as investors positioned ahead of the earnings season.

- ✓ The **local equities index** were up slightly as investors take position on financials and real estate sectors. We also saw some support from foreign investors. The PSEi closed at 7,336.71 (+0.4%).
- ✓ The **local fixed income market** went down as local players took profits, but was slightly offset by political risks abroad. Yields rose by an average of 5.42 bps, led by the long-end of the curve which increased by 29.5 bps.

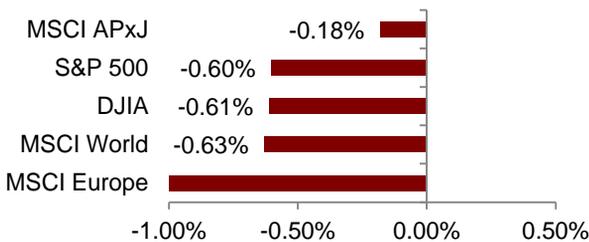
PSEi Snapshot



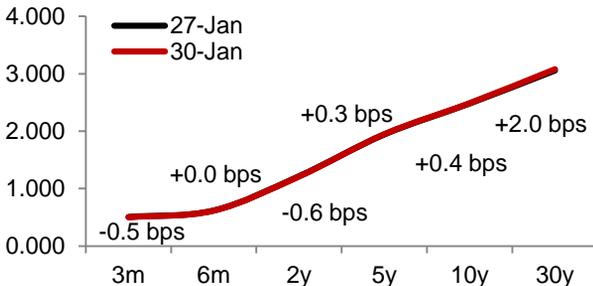
Local Bond Market Movements



Global Equities



US Treasuries



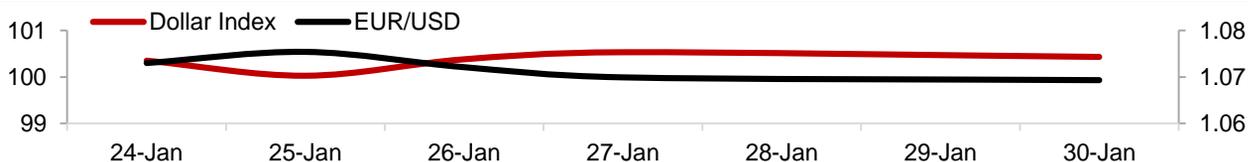
- ✓ The **Philippine peso** strengthened by 0.06% against the Dollar given the poor 4Q16 US GDP figure as well as Php234 million net foreign inflows in the equities market.
- ✓ The **US dollar** continued to trade a range ahead of major labor data releases in the US. The DXY index declined 0.10% to 100.43.

- ✓ Investors were pessimistic on Donald Trump's latest executive order on immigration, causing **US equities** to slide following investor concern on the political stability in the US. **European stocks** tracked movements in Wall Street and priced in concerns on the possibility of another Greek debt crisis.
- ✓ **Asian equities** were sold down as investors took the opportunity to book profits following political uncertainty in the US and another looming debt crisis in Europe.
- ✓ **US Treasuries** declined as yields picked up in the long-end in anticipation of the non-farm payrolls release and the Fed meeting. The two-year note yield was little changed at to 1.212% (-0.6bps). Meanwhile, the 10-year bond yield was up 0.4 bps to 2.488%.

Foreign Exchange

USD/PHP	Previous Close	49.850
	Close	49.820
EUR/USD	Previous Close	1.0699
	Indicative Rate	1.0697

Foreign Exchange



Key Indicators

YIELDS AND PRICES	30-Jan-17	DoD	WoW	MoM
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.0393	0.01%	0.02%	-0.04%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.6875	0.25%	0.45%	0.24%
ROP2021 (Price)	106.020	0.06	(0.29)	(0.29)
ROP2034 (Price)	131.651	(0.09)	(1.85)	1.72
3-Month US Treasury Yield	0.5025	-0.01%	0.02%	0.01%
3-Month German Treasury Bill Yield	-0.837	-0.01%	0.05%	0.15%
Dubai Crude Oil Spot (\$/bbl)	54.23	0.00%	2.49%	0.44%
Gold Spot (\$/oz)	1,195.56	0.36%	-1.85%	3.76%

Upcoming Economic Releases

Philippines

Date	Event	Period
1/31/2017	Philippines Budget Balance Monthly	Dec
1/31/2017	Philippines Commercial Banks Loans Outstanding Total Gross YoY	Dec

Developed Markets

Date	Country	Eco	Period	Prior
1/31/2017	US	Conference Board Consumer Confidence	Jan	113.7
2/03/2017	US	Unemployment Rate	Jan	4.7%

Emerging Markets

Date	Country	Eco	Period	Prior
2/1/2017	China	Mfg PMI	Jan	51.4
2/1/2017	China	Non-Mfg PMI	Jan	54.5

Sources: BPI, Business World, PDI, Phil Star, Manila Bulletin, Reuters, Briefing, Bloomberg, CNN, Dow Jones, The Wall Street Journal, CNBC