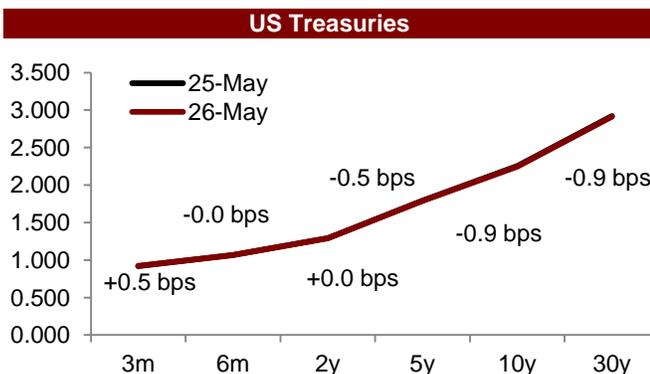
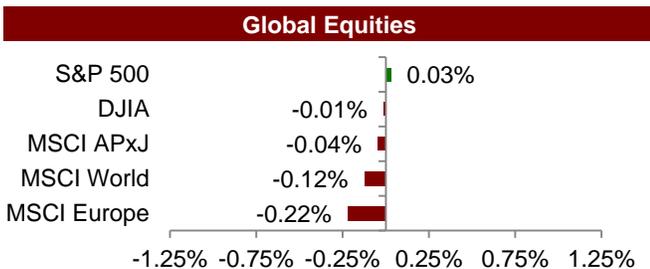
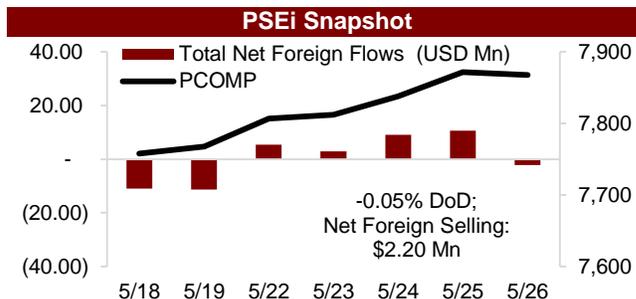


Global equities ended flat with slight downward bias after market participants took a risk-off stance ahead of the US Memorial holiday and geopolitical tensions caused by the missile launches in North Korea. Meanwhile, US Treasuries and the dollar traded sideways due to a month-end portfolio rebalancing and a slew of economic data releases for the week.

- ✓ The **local equities index** slightly slipped given the net foreign outflows in the region and mounting political tension in Mindanao after the declaration of Martial law. The PSEi shed 4.16 points and closed at 7,867.49.
- ✓ Yields of **fixed income securities** were flat due to the wait-and-see behavior of most market participants ahead of the BTR's reissue auction of 7-year FXTN (FXTN 07-59). Yields rose by an average of 3.9 bps. The long end of the curve rose by an average of 9.06 bps due to lack of trades of longer-dated securities.



- ✓ **US equities** ended flat but marginally higher last week, as investors anticipate May economic data releases this week (consumer confidence and jobs). The DJIA ended at 21,080.28 (-0.01% DoD), while the S&P 500 closed at 2,415.82 (+0.03% DoD).
- ✓ **European shares** slipped, led by the oil and gas sectors, as disappointment stemmed from the OPEC's failure to extend production cuts for a longer period. The MSCI Europe slid 0.04% DoD, closing at 132.04.
- ✓ **Asian stocks** ended mixed amid geopolitical tensions following another missile launch by North Korea and as Brent crude oil tumbled after markets were upset from the latest OPEC decision.
- ✓ **US Treasury yields** marginally increased as market participants purchased ahead of the month-end portfolio rebalancing. Also, results were mixed ahead of the long "Memorial Day" holiday. On average, yields slumped 0.29 bps. The 10-year slipped 0.89 bps to 2.247%.

Foreign Exchange

USD/PHP	Previous Close	49.830
	Close	49.750
EUR/USD	Previous Close	1.1217
	Indicative Rate	1.1213



Key Indicators

YIELDS AND PRICES	26-May-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	1.94	-0.01%	-0.78%	-0.20%	-0.72%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.84	-0.02%	0.02%	-0.13%	0.47%
ROP2021 (Price)	106.47	0.03	(0.03)	(0.01)	(1.89)
ROP2034 (Price)	133.18	(0.04)	(0.25)	(0.22)	2.72
3-Month US Treasury Yield	0.92	0.00%	0.02%	0.12%	0.76%
3-Month German Treasury Bill Yield	(0.83)	0.03%	0.04%	-0.02%	-0.29%
Dubai Crude Oil Spot (\$/bbl)	50.28	-3.75%	-3.38%	-0.57%	56.49%
Gold Spot (\$/oz)	1,265.79	0.80%	0.79%	-0.27%	19.25%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
5/31/2017	Bank Lending YoY	Apr	18.4%
6/6/2017	CPI YoY	May	3.40%

Developed Markets

Date	Country	Event	Period	Prior
5/30/2017	US	Personal Income	Apr	0.20%
5/30/2017	Japan	Jobless Rate	Apr	2.8%
5/29/2017	EU	M3 Money Supply YoY	Apr	5.3%

Emerging Markets

Date	Country	Event	Period	Prior
5/31/2017	China	Manufacturing PMI	May	51.2
6/1/2017	India	Nikkei India PMI Mfg	May	52.5
6/2/2017	Indo	CPI YoY	May	4.17%

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