

# Daily Matters

November 3, 2016

## MARKET INDICATORS

As of November 2, 2016

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,252.40	-152.4	-2.06%
Dow Jones	17,959.64	-77.46	-0.43%
S&P500	2,097.94	-13.78	-0.65%
Nasdaq	5,105.57	-48.01	-0.93%
MSCI Asia ex-Japan	536.59	-7.8	-1.43%
MSCI Emerging Market	890.21	-12.37	-1.37%
5Yr FXTN	3.94	1bp	
10 Yr US Treasury	1.8	2bps	
USD/PHP	48.35	-0.01	-0.03%

Source: Bloomberg

## NEWS IN THE PHILIPPINES

### BSP offer of term deposits still oversubscribed

- Bangko Sentral ng Pilipinas posted that bids for the auctions of term deposits remained above board for both week and month long tenors with more than double the P130 billion volume posted. Total bids reached P29.665 billion, nearly three times the P10-billion auction size. According to the central bank officers, there is still room for increase in the amount of term deposits being auctioned as excess liquidity continues in the financial system. Auction size will be at P130B, broken down to P120B for the month-long and P10B for the seven day tenor.

### Local Bond Market

- The yield of the benchmark 5-year bond fell 1 bp at 3.94.
- The yields of bonds mostly ll fell with 8 yields falling and only 2 yields rising led by the 7yr yield by 29.10 bps.

### Philippine Stocks

- The Philippine Stocks fell on the first trading day of the month by persisting market uncertainty due to the US election which shook investor confidence. The PSEi fell 152.40 points or 2.05% to close at 7,252.40 yesterday from 7,404.80 points on Oct. 28 being the last trading day before the long weekend.

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### **Philippine Peso**

- The local peso rebounded slightly and almost neared Php 50 against the US dollar on the back of the profit taking ahead of the US Fed Reserve's policy decision and sentiment over the US Presidential polls showing Trump might lead over Clinton. The Philippine peso closed at Php 48.35.

## **NEWS AROUND THE WORLD**

### **Eurozone October Manufacturing PMI Confirmed At 33-Month High**

- According to the Markit Eurozone, October's index was revised up to 53.5 from the reading of 53.3 and the final September reading of 52.6. The said reading was above the market expectation of no change from the flash reading as the index strengthened to the highest level for 33 months.
- The strongest readings were in Germany and the Netherlands, which should strengthen confidence in overall Eurozone and global trade prospects.

### **US Stock Market**

- The US Stock Market slid for the second straight day as investors were starting to rethink their long-hold bets of Clinton's victory as Trump could close the gap, also, stocks extended losses after the Federal Reserve kept interest rates unchanged but signaled it could hike in December. The Dow Jones Industrial Average Index fell 77.46 points or -0.43% to 17,959.64 while the S&P 500 declined by 13.78 points or -0.65% to 2,097.94. The Nasdaq Composite dropped 48.01 points, or -0.93%, to 5,105.57.

### **Asian Stocks**

- Asian markets sharply fell on its lows across Asia as polls show Donald Trump is leading the US presidential election poll. The MSCI Asia-Ex Japan Index declined 7.8 points or -1.43% to close at 536.59.

### **Emerging Markets**

- Emerging market dropped and the Mexican peso hit new four-week lows on signs of an increasingly tight U.S. presidential race. The MSCI Emerging Markets Index shed 12.37 points or -1.37% to 890.21.

Sources: Bloomberg, Briefing.com, Business World, CNN, Inquirer, PhilStar, Reuters, WSJ

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