

Daily Matters

November 27, 2014

MARKET INDICATORS

As of November 26, 2014

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,356.59	69.74	0.96%
Dow Jones	17,827.75	12.81	0.07%
S&P 500	2,072.83	5.80	0.28%
NASDAQ	4,787.32	29.07	0.60%
MSCI Asia ex-Japan	576.68	3.74	0.65%
MSCI Emerging Market	1011.97	2.87	0.28%
5 Yr FXTN	3.20	0 bp	
10 Yr US Treasury	2.24	1 bp	
USD/PHP	44.92	-0.05	-0.11%

Source: Bloomberg

NEWS IN THE PHILIPPINES

Philippine November Forecast Seen at 3.5%-4.3%, Central Bank releases EMV chip-enabled Cards

- According to the Bangko Sentral ng Pilipinas, or BSP, forecasts November inflation to be within the range of 3.5%-4.3%. BSP Governor Amando M. Tetangco, Jr. said yesterday that stable food prices, continued decline in international oil prices, and lower electricity rates for the month are seen to dampen inflation pressures.
- Rules governing Philippine lenders' planned shift to Europay MasterCard Visa (EMV) chip-enabled cards by 2017 were released yesterday in a bid to protect the growing number of automated teller machine (ATM) cardholders in the country against scams. BSP said that All ATM cards must be EMV chip-enabled by Jan. 1, 2017.

Local Bond Market

- On the local fixed income space, the 7y, 20y and 25y fell while 1y and 5y inched up. The rest remained flat. The 5-year-benchmark gained less than 1 bp to 3.20%.

Philippine Stocks

- The Philippine Stock Exchange index (PSEi) jumped 69.74 points or 0.96% to close at 7,356.59 due to optimism on higher 3Q GDP figures that will be released today.

Philippine Peso

- The Philippine peso traded at a tight range of 44.89 to 44.94 against the US Dollar for the day. It opened and closed at the same level, 44.92. Previous day's close of 44.97.

NEWS AROUND THE WORLD

US New Home Sales, US Unemployment Claims, US Core Durable Goods

- US New Home Sales, which is the annualized number of single-family homes that were sold during the previous month, declined at 458k, which was well below forecast of 471k. However, it was still up compared to the previous month's 455k.
- US unemployment claims, which measures the number of individuals who filed for unemployment insurance for the first time the past week, went up to 313k from the forecast of 287k. It was also more than the previous month's 292k.
- US Core Durable Goods Orders, which measures the change in the total value of new purchase orders placed with manufacturers for durable goods, declined to -0.9% versus forecast of 0.5%. It was also lower than the previous month's -0.1%.

US Stock Market

- The Dow Jones and S&P 500 ended at record levels on Wednesday. The Dow Jones Industrial Average rose 12.81 points, or 0.07%, to 17,827.75. The index pushed higher in the last hour of trading, notching its 30th record close for the year. The S&P 500 index gained 5.8 points, or 0.28%, to 2072.83, marking its 47th closing high in 2014. Nasdaq gained 29.07 points, or 0.6%, to 4787.32. The U.S. stock market will be closed on Thursday for the Thanksgiving holiday. While several economic reports missed expectations, investors said they were still consistent with an economic recovery in the U.S.

Asian Stocks

- Asian equities inched up yesterday as global investors are plowing more cash into Asian stocks even after double digit gains in a handful of markets and despite rising risk of higher interest rates in the US. The MSCI Asia-Ex Japan Index was at 576.68, up by 0.65%.

Emerging Markets

- Emerging-market stocks gained yesterday as investors grew more confident that of the nomination of banker Joaquim Levy as the [finance](#) minister in Brazil. The MSCI Emerging Markets Index closed at 1011.97, up by 0.28%.

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

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