

Daily Matters

January 17, 2018

MARKET INDICATORS

As of January 16, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,865.13	7.41	0.08%
Dow Jones	25,792.86	-10.33	-0.04%
S&P500	2,776.42	-9.82	-0.35%
Nasdaq	7,224.00	-37.06	-0.51%
MSCI Asia ex-Japan	748.99	4.95	0.67%
MSCI Emerging Market	1,217.87	7.23	0.60%
5Yr FXTN	4.66	1 bp	
10 Yr US Treasury	2.54	1 bp	
USD/PHP	50.5	0.16	0.32%

Source: Bloomberg



News in the Philippines

House gets DoF proposal to cut corporate tax

- Department of Finance has formally submitted to the House of Representatives the second package of the administration's Comprehensive Tax Reform Program. The package was said to be "revenue-neutral" that seeks to gradually cut the corporate income tax rate to 25%.

Local Bond Market

- The performance of the 5yr bond finished off at 4.66bps, with most of the yields ending on the red. (9 yields falling and 2 yields rising.)

Philippine Stocks

- The Philippine stock market finished the session on a weaker side as investors continued to take profit after the market reached a record high at the start of the week. The benchmark Philippine Stock Exchange index (PSEi) shed 107.04 points, or 1.20%, to finish at 8,813.25. market players should start looking for bargains in preparation for the next wave which should happen any time soon.

Philippine Peso

- The Philippine Peso dropped against the dollar on Tuesday as central bank data showed remittance growth slowed in November as it closed at Php 50.5. The rise in remittances in November was slower at 2%, compared with the 18.5% growth the same period in 2016 and October 2017's 8.4%.



News around the World

Empire State Manufacturing Index was little changed in Jan at 17.7.

- Federal Reserve Bank of New York announced that manufacturing conditions kicked off 2018 with a worse-than-expected expansion. The New York Fed also noted that the new orders index and the shipments index both showed ongoing growth, although at a slower pace than in December.

US Market

- The US economy is currently going through one of its longest-ever periods of expansion, only surpassed by the booms that took place in previous years. The US has now been growing without a correction since June 2009, following the recession that followed the financial crisis. The three major indexes Dow Jones ended at 25,792.86 or -10.33 points with -0.04%; S&P500 at 2,776.42 or -9.82 points with -0.35% and the Tech Savvy Nasdaq finished off at 7,224.00 or -37.06 points with -0.51%.

Asian Stocks

- Asian stock markets were mostly higher Tuesday following a holiday for U.S. markets as investors looked ahead to American corporate earnings. The MSCI Asia ex-japan ended the trade at 748.99 or 4.95 points with 0.67%.

Emerging Markets

- Emerging market fueled to their highest in nearly 10 years as Asian shares reached another record, while the rand firmed to 2 1/2-year highs and China's yuan hovered near a two-year peak. MSCI's benchmark emerging equities index gained 0.7 % after Asian shares reached another record high, as investors continued to pile into riskier assets. The MSCI Emerging Market finished off at 1,217.87 or 7.23 points with 0.60%.

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