

# Daily Matters

January 19, 2018

## MARKET INDICATORS

As of January 18, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,820.74	-28.25	-0.32%
Dow Jones	26,017.81	-97.84	-0.37%
S&P500	2,798.03	-4.53	-0.16%
Nasdaq	7,296.05	-2.23	-0.03%
MSCI Asia ex-Japan	751.13	1.17	0.16%
MSCI Emerging Market	1,227.52	4.9	0.40%
5Yr FXTN	4.72	4 bps	
10 Yr US Treasury	2.63	4 bps	
USD/PHP	50.78	0.01	0.02%

Source: Bloomberg



## News in the Philippines

### Tax reform to support SSS contribution hike

- Department of Finance along with Finance Secretary Carlos G. Dominguez III and Socioeconomic Planning Secretary Ernesto M. Pernia, submitted a joint memorandum dated Dec. 15, 2016 to increase member contributions to 17% from the current 11%.
- SSS stated that it also seeks to raise the maximum salary credit to P20,000 in the first year in implementation from the current P16,000. This will then be hiked to P25,000 in the succeeding year, before reaching P30,000.

### Local Bond Market

- The performance of the 5yr bond finished off at 4.72bps, with 3 yields falling and 8 yields rising.
- The country launched 10-year dollar denominated bonds, The Treasury bureau announced in a notice on its Web site "the commencement of a global offering... of its global bonds, to be denominated in US dollars due 2028." "\$1 billion in new money and \$1 billion for liability management" via bond swap".

### Philippine Stocks

- The Philippine stock market ended its three-day rally after shedding 0.18%, or 16.14 points, to 8,848.99 points after yesterday's session. The PSEi and the peso was troubled by foreign selling after the main stock gauge tracked Wall Street's performance overnight.

### Philippine Peso

- The Philippine Peso continued to depreciate against the US dollar due to strong dollar demand following the release of data showing a wider Philippine trade deficit. Data from the Philippine Statistics Authority released last week showed the country's trade deficit hit a new record high in November at \$3.78 billion, higher than the \$2.81 billion booked in the comparable year-ago period. The pesos ended at Php 50.78



## News around the World

### US Jobless claims plunge to lowest weekly tally since 1973

- Labor Department showed that the filings for unemployment benefits plummeted to the lowest level in almost 45 years in a sign the job market will tighten further in 2018. Jobless claims decreased by 41k to 220k; Continuing claims rose by 76k to 1.952m in week ended Jan. 6; Four-week average of initial claims, fell to 244,500 from the prior week's 250,750.

### US Market

- The US stock market are on the mix after its trade as both the Dow Jones and S&P 500 were trading differently. Dow closes 97 points lower as concern over government shutdown looms, S&P 500 alternated between gains and losses throughout the session before closing 0.2% lower. The three major indexes - Dow Jones ended at 26,017.81 or -97.84 points with -0.37%; S&P500 is at 2,798.03 or -4.53 points with -0.16%; Nasdaq finished off at 7,296.05 or -2.23 points with -0.03%.

### Asian Stocks

- Asian stock markets were mostly lower with energy firms hit by a dive in oil prices, but Hongkong breaks record as it hit its an all- time high. The MSCI Asia ex-japan ended the trade at 751.13 or 1.17points with 0.16%.

### Emerging Markets

- Emerging stocks pushed to their highest as Chinese economic data beat forecasts, with some Asian bourses at record peaks, while the lira and rand firmed ahead of central bank meetings. The MSCI Emerging Market finished off at 1,227.52 or 4.9 points with 0.40%.

The content on this material is provided for information purposes only and should not be considered as investment advice. This document is not a solicitation or an offer to buy or sell any securities or related financial products. While this document was prepared with reasonable care, no guarantee is given as to the accuracy and completeness of the information herein. Information and/or views contained herein are for information only and based on data that ATR Asset Management (ATRAM) has researched. However, ATRAM does not represent that the information and/or views are accurate or complete, and these should not be relied upon as such. Any person receiving this document must make his/her own investigation and satisfy him-/herself as to the accuracy and completeness of the information and/or views. Any information or opinion expressed in this document is subject to change without prior notice. This document may not be reproduced or distributed without written consent from ATR Asset Management.