

Daily Matters

February 9, 2018

MARKET INDICATORS

As of February 8, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,645.08	-22.48	-0.26%
Dow Jones	23,860.46	-1032.89	-4.15%
S&P500	2,581.00	-100.66	-3.75%
Nasdaq	6,777.16	-274.83	-3.90%
MSCI Asia ex-Japan	711.25	-1.13	-0.16%
MSCI Emerging Market	1,163.09	-10.29	-0.88%
5Yr FXTN	4.91	1 bp	
10 Yr US Treasury	2.82	1 bp	
USD/PHP	51.55	0.42	0.82%

Source: Bloomberg



News in the Philippines

BSP raises 2018 inflation forecast to 4.3%

- An inflation average of 4.3% this year and a breach in the 2-4% projected range is expected by the Bangko Sentral ng Pilipinas which is due to the impact on consumer prices of the first tax program and oil price hikes. The impact of the tax reform was not included in the baseline forecast during the Dec 14 meeting.

Local Bond Market

- The performance of the 5yr bond ended at 4.91 bps with a turn on the yield's performance with a mix of 7 yields rising and 4 yields falling. Markets are expected to stay volatile, as the trading public dumps investments in equities in favor of bonds.

Philippine Stocks

- The Philippine stock market pushed back its P3.16 billion stock rights offer to March to avoid recent global financial market uproar. The offering will begin on March 12- 16 while listing is targeted by March 22. The PSEi closed 0.25% lower to 8,645.08.

Philippine Peso

- The local peso relaxed after yesterday's trade following "neutral" statements from the central bank as it closed at Php 51.55. Policy rates were unchanged, citing moderate near-term inflation outlook.



News around the World

Consumer Comfort in US stays elevated even as stocks fall

- Bloomberg Consumer Comfort Index: U.S. consumer comfort last week held near the highest level since 2001 even as stocks fell on concerns about higher interest rates. The weekly comfort eased from 54.4 to 54.6. The current views of the economy held at 57.8, and was said to be the highest since 2001.

US Market

- The selloff in world stock indexes deepened, with the fall in US stocks confirming a correction for the market, in another volatile session stirred by concern over rising bond yields. Investors are on the watch for a much likelihood Fed Reserve interest rate hike due to higher inflation. Dow Jones with 23,860.46 or -1032.89 points; S&P500 with 2,581.00 or -100.66 points and Tech Savvy Nasdaq at 6,777.16 or -274.83 points.

Asian Stocks

- Investors cut their long positions in most emerging Asian currencies as rising Treasury yields helped the dollar rebound from a three-year low touched in late January. Among Asian currencies, bullish bets on the Chinese yuan CNY=CFXS dipped for the first time since December, Malaysian ringgit MYR= touched their lowest since November. The MSCI Asia ex-japan ended the trade at 711.25 or -1.13 points with 0.16%.

Emerging Markets

- Emerging stocks were set for their sixth straight day on a negative territory as the global stocks rout continued, while China's yuan tumbled almost 1% despite healthy Chinese trade data as investors are eyeing for potential capital outflows. The MSCI Emerging Market finished off at 1,163.09 or -10.29 points with -0.88%.

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