

Daily Matters

February 21, 2018

MARKET INDICATORS

As of February 20, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,722.70	12.48	0.14%
Dow Jones	24,964.75	-254.63	-1.01%
S&P500	2,716.26	-15.96	-0.58%
Nasdaq	7,234.31	-5.16	-0.07%
MSCI Asia ex-Japan	725.02	-3.42	-0.47%
MSCI Emerging Market	1,194.53	-6.51	-0.54%
5Yr FXTN	5.04	7 bps	
10 Yr US Treasury	2.89	1 bp	
USD/PHP	52.27	-0.18	-0.34%

Source: Bloomberg



News in the Philippines

DoF mulls 3 kinds of tax amnesty offer

- Department of Finance confirmed that the government is considering 3 kinds of tax amnesty as a part of an overall bid to refurbish taxation in the country. The planned amnesty forms part of tax reform "Package 1-B" which is expected to bring additional revenues to P130 billion from P89.9 billion under the first package enacted as RA 10963.

Local Bond Market

- The local bond market ended with 5.036 bps with most of the yields rising. The government partially awarded a fresh 20-year T-Bond as investors sought higher returns on the back of the expected interest rate hikes by local and US central banks. BTR raised P8.853 billion from the fresh bonds maturing on Feb. 22, 2038.

Philippine Stocks

- The Philippine stock barometer reversed its losses, staying afloat the 8,700 level on selective buying of large cap stocks. The PSEi ended 12.48 points or 0.14 percent to close at 8,722.70. Investors seen a positive reaction to BSP's decision to cut reserve requirement on banks by 1%. The market performance was led higher by the holding firm, services, mining/oil and property counters.

Philippine Peso

- The local peso strengthened at Php 52.27 against the US dollar as it depreciated due to concerns about the US budget deficit in 2019. With this, US budget deficit is now projected to expand to more than \$1 trillion in 2019 given the government spending splurge and large corporate tax cuts.



News around the World

Euro area consumer confidence slips for first time since July

- European Commission: confirmed a sharp fall this month as the index dropped to 0.1 in February, short of consensus estimate of a 1.0 reading and the first decline in the measure in seven months. Confidence remains at ease ahead of the long-run average of -12, and prospects for household spending growth remain "bright".

US Market

- U.S. stocks paused a six-day rally as disappointing results from Walmart Inc. weighed on major indexes as the dollar pushed higher. Dow Jones ended at 24,964.75 or -254.63 points with -1.01%; S&P500 index slipped below its average price for the past 50 days with 2,716.26 or -15.96 points with -0.58% and the Tech Savvy Nasdaq rallied in chipmakers that boosted the index at 7,234.31 or -5.16 points with -0.07%.

Asian Stocks

- Asian stocks fell after yesterday's trade as indexes gave up some early-week gains amid reduced holiday trading and a move lower globally for stocks. The decline came as European stocks pulled back overnight and S&P 500 futures were recently down ahead of Tuesday's start to a holiday-shortened week in the U.S. The MSCI Asia ex-japan ended the trade at 725.02 or -3.42 points with -0.47%.

Emerging Markets

- Emerging stocks Investors have been unsettled by India's trade deficit hitting its highest in over 4-1/2 years in January. The Indian rupee slid to a near three-month low amidst growing concerns about an alleged major bank fraud at India's second-largest state-run lender, whilst emerging stocks fell half a percent. The MSCI Emerging Market finished off at 1,194.53 or -6.51 points with -0.54%.

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