

Daily Matters

February 23, 2018

MARKET INDICATORS

As of February 22, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,515.57	-98.08	-1.14%
Dow Jones	24,962.48	164.7	0.66%
S&P500	2,703.96	2.63	0.10%
Nasdaq	7,210.09	-8.14	-0.11%
MSCI Asia ex-Japan	726.52	-7.69	-1.05%
MSCI Emerging Market	1,200.90	-8.77	-0.72%
5Yr FXTN	5.19	6 bps	
10 Yr US Treasury	2.92	3 bps	
USD/PHP	52.13	0.04	0.07%

Source: Bloomberg



News in the Philippines

Foreign Investment pledges drop 83% in Q4

- Philippine Statistics Authority (PSA) narrated that Foreign investments fell 82.8% in the Q4 of 2017 with Php 21.6B from Php 125.7B. This brought total approved investment pledges to Php 105.6 billion. Bulk of the investments came from Japan US and Singapore. Total projects approved by the seven IPAs for the 4th quarter are expected to generate 29,813 jobs.

Local Bond Market

- The local bond market finished off with 5.19 bps with a mixed of the performance of the bonds with 7 yields up and 4 yields down. The Yields on 10-year US debt were at 2.95% and was the highest in four years.

Philippine Stocks

- The Philippine Stock barometer fell to the 8,500 mark as investors continued to price in the impact of rising inflation and interest rates in the country. PSEI shed 98.08 points or 1.14% to close at 8,515.57. the index was dragged mostly by holding firms, mining/oil and property counters which all fell by over 1%.

Philippine Peso

- The Philippine Peso traded flat as minutes of the latest Federal Reserve meeting offset concerns of a higher deficit in the US. Local peso ended at Php 52.13. The performance of the local currency is that it has been gaining since Tuesday on the back of concerns about a wider US deficit.



News around the World

Leading indicators beat expectations, post third straight month of gains in January

- A composite measure of leading economic indicators was expected to rise in January. The index measures 10 key metrics and would be the 12th time the measure increased in the last 13 months. The indicator increased 1% in January, besting expectations of 0.7% based on the survey.

US Market

- The major indices performance was greatly seen after yesterday's session as both Dow Jones and S&P500 closed well as worries about rising rates lingered. The Nasdaq posted its longest losing streak since 2016. Dow Jones ended at 24,962.48 or 164.7 points with 0.66%; S&P500 is at 2,703.96 or 2.63 points with 0.10%; Nasdaq ended at 7,210.09 or -8.14 points with -0.11%.

Asian Stocks

- The Asian Stock performance was led by the Shanghai stocks as blue-chip CSI300 index up. It scored their best gain in more than 18 months, as investors played catch-up buying after the week-long Lunar New Year holiday. The possibility of a quickening in U.S. interest rate hikes were also seen with Vietnam and Philippines bearing the impact. The MSCI Asia ex-japan ended the trade at 726.52 or -7.69 points with -1.05%.

Emerging Markets

- Three currencies led a swathe of emerging market currencies lower, as a stronger dollar courtesy of the highest U.S. Treasury yields in four years also soured sentiment for stocks and bonds. That was sighted in government bonds which gained ground again. The yield on the benchmark instrument due in 2026 was down half a basis point to 7.98% having fallen 11.5 basis points. The MSCI Emerging Market finished off at 1,200.90 or -8.77 points with 0.72%.

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