

Daily Matters

March 7, 2018

MARKET INDICATORS

As of March 6, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEI	8,360.22	-25.95	-0.31%
Dow Jones	24,884.12	9.36	0.04%
S&P500	2,728.12	7.18	0.26%
Nasdaq	7,372.01	41.3	0.56%
MSCI Asia ex-Japan	723.94	11.55	1.62%
MSCI Emerging Market	1,193.93	17.81	1.51%
5Yr FXTN	5.32	2 bps	
10 Yr US Treasury	2.89	1 bp	
USD/PHP	52.03	0.08	0.15%

Source: Bloomberg



News in the Philippines

Central Bank sees to temper rate expectation

- Bangko Sentral ng Pilipinas (BSP) reported that inflation is continuously picking up to a fresh three year high in February due to transitory factors. Monetary authorities will “closely monitor” developments and factor in all relevant data in its upcoming monetary policy review, with their second meeting set on March 22. BSP will still stick to its 2-4% target band for inflation in spite PSA’s rebasing to attune to shifts in consumption preferences.

Local Bond Market

- The Local Bond Market finished off with 5.32 bps with mostly all the bonds rising. (8 rising;3 falling) The Philippine Government made partial awards of fresh five-year Treasury bonds offered yesterday as investors sought higher returns following last month’s inflation figure.
- BTR raised P 12.039 billion borrowing from the fresh bonds maturing on March 3, 2023.

Philippine Stocks

- Issues on the inflation rate diminished the trading as the benchmark Philippines Stock Exchange Index fell 25.95 points or 0.30% at 5,033.72. The government reported that inflation reached a three-year high of 4.5% in February under the non-rebased index, higher than most estimates at 4.2% but within the central bank’s 4.0-4.8 percent projection for the month.

Philippine Peso

- The Philippine Peso finished off the session unchanged, due to mixed readings of the market regarding the inflation data. The local currency closed at Php 52.03.



News around the World

US: Factory orders and Fed speak in limelight

- US Department of Commerce: New orders for American durable goods recorded their biggest decline in six months in January and business spending on equipment appeared to be slowing after robust growth in 2017. The recent report showed a month-over-month change of -1.4%.

US Market

- U.S. stocks closed higher on Tuesday, however, Wall Street remained on edge over an ongoing debate over tariffs proposed by President Donald Trump. Stocks gave up early gains while the US dollar continued sinking in in the wake the steel and aluminum tariff plan. (Dow Jones 24,884.12 or 9.36 points; S&P500 at 2,728.12 or 7.18 points and the Tech Savvy Nasdaq finished off at 7,372.01 or 41.3 points)

Asian Stocks

- Asian Stocks showed gains of revival after a few days of decline as the MSCI Asia ex-Japan closed at 723.94 or 11.55 points with 1.62%. China stocks rebounded by robust gains in shares of real estate and healthcare firms, as worries of an imminent trade war eased.

Emerging Markets

- Emerging stocks rebounded from three-week lows after a proposal from U.S. President Trump to hit steep tariffs on steel and aluminum imports sparked Republican opposition. The MSCI’s benchmark emerging equities index bounced 1.4% in a broad-based recovery. The MSCI Emerging Market ended at 1,193.93 or 17.81 points with 1.51%.

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