

MARKET INDICATORS

As of March 19, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,235.54	-2.61	-0.03%
Dow Jones	24,610.91	-335.60	-1.35%
NASDAQ	7,344.24	-137.74	-1.84%
S&P500	2,712.92	-39.09	-1.42%
MSCI Asia ex-Japan	740.28	-5.44	-0.73%
MSCI Emerging Market	1,203.59	-9.55	-0.79%
5Yr FXTN	5.52	0 bp	
10 Yr US Treasury	2.86	1 bp	
USD/PHP	52.03	0.08	0.15%

Source: Bloomberg



News in the Philippines

Derivatives in UITF, part of financial market liberalization- BSP

- Bangko Sentral ng Pilipinas (BSP) issued Circular 999 on March 14 which will allow financial firms to invest assets of Unit Investment Trust Funds (UITFs) into derivatives as part of "financial market liberalization." Derivatives are contracts between two or more parties for the sale of an asset agreed on a future date and price. BSP Governor Nestor A. Espenilla, Jr. said that this new rule will help fund managers minimize potential risks.

Local Bond Market

- The yield of the benchmark 5-year bond ended almost flat and finished off at 5.52 bps.
- Most yields of bonds traded on a mixed state with 6 yields rising and 5 yields falling.

Philippine Stocks

- Local stocks further went down but sustained the 8,200 level. Markets are waiting on the sidelines ahead of the uncertainties happening this week. Investors are on the lookout for the BSP meeting on interest rate decision on Thursday, March 22 as well as the anticipated interest rate hike announcement of US Federal Reserve on its two-day meeting happening also within this week.

Philippine Peso

- The local peso appreciated against the greenback during yesterday's session. The peso closed the day at PHP 52.03. Foreign funds will hold up if appreciation of dollar continues against the peso.



News around the World

Venezuelan Cryptocurrencies banned in the US

- President Donald Trump issued an executive order banning the sale of Venezuelan cryptocurrencies including the newly-issued petro. Venezuela crude oil reserves backed up petro but government reiterated that investors have no ownership over Venezuela's oil.

US Market

- The yield of the benchmark 10-year US Treasury went up and ended at 2.86 bps. The impact of anticipated interest rate hike is cushioned by growth in average hourly earnings.
- US stocks ended on negative territory after technology selloff brought jitters to investors. Economists also project US Federal Reserve to raise interest rate within this week as part of new Federal Reserve Chairman Jerome Powell's agenda of 'good years.' The Dow Jones lost 335.60 points or 1.35% ending at 24,610.91. The S&P 500 went down by 39.09 points or 1.42% to close at 2,712.92. The tech-laden NASDAQ was in its steepest lost in six weeks falling 137.74 points or 1.84% ended at 7,344.24.

Asian Stocks

- The MSCI Asia-Ex Japan Index went down by 0.73% or 5.44 points to close at 740.28. Asian stocks are affected by Wall Street losses being pulled by technology stocks selloff. US stock market keeps the investors on the sideline ahead of Federal Reserve's meeting this week.

Emerging Markets

- The MSCI Emerging Markets Index slipped by 9.55 points or 0.79% closing at 1,203.59. Emerging market investors are waiting for further slip after UK accused Russia behind the poison attack of Sergei Skripal, a former Russian military intelligence officer, resulting in worries of UK over attempted murder on their soil.