

# Daily Matters

May 16, 2017

## MARKET INDICATORS

As of May 15, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,772.93	-42.6	-0.55%
Dow Jones	20,981.94	85.33	0.41%
S&P500	2,402.32	11.42	0.48%
Nasdaq	6,149.67	28.44	0.46%
MSCI Asia ex-Japan	611.58	3.65	0.60%
MSCI Emerging Market	1,010.23	7.86	0.78%
5Yr FXTN	4.24	2 bps	
10 Yr US Treasury	2.34	2 bps	
USD/PHP	49.68	-0.09	-0.18%

Source:

Bloomberg



## News in the Philippines

### Central bank seen to turn hawkish this year

- The Bangko Sentral ng Pilipinas is most likely to introduce two rate hikes this 2017 starting in August. According to Deutsche bank, BSP will raise the benchmark borrowing rate by a total of 50 bps to keep up with higher commodity prices and upbeat domestic demand. BSP is expects full year inflation to average 3.4%, from 1.8% in 2016 but will settle within the 2-4% target band.

### Local Bond Market

- The yield of the benchmark 5-year bond finished off at 4.24 bps.
- The yields of bonds ended flat with 5 yields falling and 6 yields rising led by the 20-yr bond at 10.66.

### Philippine Stocks

- The local stocks started the week on a flat note, also extending its losses as investors opted to stay on the side ahead of the release of the 1<sup>st</sup> quarter economic data. The Philippine Stock Exchange index (PSEi) fell 42.60 points or 0.54% to end at 7,772.93. Some investors took gains for the two IPOs which were said to eat up a few billions from the market.

### Philippine Peso

- The local peso gained stronger against the US dollar as it hit its highest level in nearly three weeks on the back of the softer-than-expected reports on US inflation, also with lesser expectations of the US Fed Reserve hiking rates this month. The Philippine peso finished off at Php 49.68.



## News around the World

### Weak Empire Manufacturing largely ignored by markets

- The Federal Reserve Bank of New York has released its survey for May 2017 and it did not weigh more on the markets. The reading was -1.0 in the general business conditions, from a 5.1 in April. The manufacturing activity appears to be flattening out after a multi-month series of rapid growth.

### US Market

- The US stock market closed at record highs after tech and crude oil rise at 3%. (S&P 500 at 2,402.32 with 0.48%; Nasdaq at 6,149.67 with 0.46% and Dow Jones at 20,981.94 with 0.41%)

### Asian Stocks

- The Asian stocks had gains from regional energy and mining firms thanks to the jump in commodity prices and chinas market's selling pressure. MSCI Asia-Ex Japan Index is at 611.58 with 3.65 points or 0.60%.

### Emerging Markets

- Emerging markets started the week on highs with stocks at a two-year peak, rouble, lira and rand up its fourth straight session since late 2014. The said rally was due to an oil-led charge in commodity markets and due to weakness in the dollar. The MSCI Emerging Markets Index closed 0.78% or 7.86 points to close at 1,010.23.

The content on this material is provided for information purposes only and should not be considered as investment advice. This document is not a solicitation or an offer to buy or sell any securities or related financial products. While this document was prepared with reasonable care, no guarantee is given as to the accuracy and completeness of the information herein. Information and/or views contained herein are for information only and based on data that ATR Asset Management (ATRAM) has researched. However, ATRAM does not represent that the information and/or views are accurate or complete, and these should not be relied upon as such. Any person receiving this document must make his/her own investigation and satisfy him-/herself as to the accuracy and completeness of the information and/or views. Any information or opinion expressed in this document is subject to change without prior notice. This document may not be reproduced or distributed without written consent from ATR Asset Management.