

Daily Matters

May 18, 2017

MARKET INDICATORS

As of May 17, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,826.53	35.46	0.46%
Dow Jones	20,606.93	-372.82	-1.78%
S&P500	2,357.03	-43.64	-1.82%
Nasdaq	6,011.24	-158.63	-2.57%
MSCI Asia ex-Japan	611.55	-2.21	-0.36%
MSCI Emerging Market	1,008.63	-6.42	-0.63%
5Yr FXTN	4.23	2 bps	
10 Yr US Treasury	2.22	1 bp	
USD/PHP	49.78	0.07	0.13%

Source:

Bloomberg



News in the Philippines

Pundits bet on boost in PHL per capita GDP

- The current reform agenda of Pres. Duterte can potentially support the robust economic growth while boosting per-capita incomes. The Philippine gross domestic product (GDP) can expand by 7% this year, putting the country on track with the government's 6.5-7.5% target and remaining as one of the fastest-growing in Asia. This would entail the country on having good infrastructures, investing in education, and avoiding sudden slump in population growth.

Local Bond Market

- The yield of the benchmark 5-year bond finished off at 4.23 bps.
- The yields of bonds ended on the red with 8 yields falling and 3 yields rising as banks and trust firms preferred a shorter tenor.

Philippine Stocks

- The local stocks extended their gains lifted by foreign buying as investors bet on strong first quarter economic data which will be released. Also, investors are anticipating for a good GDP results which helped the market to go up. The Philippine Stock Exchange index (PSEi) advanced 0.45% or 35.46 points to 7,826.53.

Philippine Peso

- The local peso weakened against the US dollar amidst political noise offshore due to political concerns between US Pres. Trump and FBI Director Comey. The peso might appreciate amid expectations of upbeat Philippine GDP growth in the first quarter as it likely hit 6.8%. The Philippine peso closed at Php 49.78.



News around the World

MBA: Mortgage applications drop back down

- According to Mortgage Bankers Association, applications dropped 4.1% from one week earlier as refinance volume falls to record lows. The refinance share of mortgage activity decreased to 41.1% of total applications which is the lowest since Sept 2008. The Refinance index decreased 6% from previous week while the seasonally adjusted purchase index decreased 3% from a week earlier.

US Market

- U.S. stocks sold off and cast doubt on whether President Donald Trump can push forward with a pro-growth agenda that had helped drive stocks to repeat records. With the fall of the major stocks, this shed fears and controversy of his ability to deliver tax and regulatory reform. These sent all major indices on the red with S&P 500 at 2,357.03 with -1.82%; Nasdaq at 6,011.24 with -2.57% and Dow Jones at 20,606.93 with -1.78%.

Asian Stocks

- The Asian stocks fell and spread across the market after turmoil surrounding the Whitehouse sparked the worst day in months for US stocks. The MSCI Asia-Ex Japan Index is at 611.55 with -2.21 points or -0.36%.

Emerging Markets

- U.S. fiscal stimulus caused the market to break a seven-day winning streak, pushing them off two-year highs while many currencies weakened as investors sought safer assets. The MSCI Emerging Markets Index closed at -0.63% or -6.42 points to close at 1,008.63.

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