

# Daily Matters

June 25, 2014

## MARKET INDICATORS

As of June 24, 2014

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	6,793.07	31.08	0.46%
Dow Jones	16,818.13	-119.13	-0.70%
S&P 500	1,949.98	-12.63	-0.64%
NASDAQ	4,350.36	-18.32	-0.42%
MSCI Asia ex-Japan	571.76	3.19	0.56%
MSCI Emerging Market	1,048.14	5.81	0.56%
5 Yr FXTN	3.50	-	
10 Yr US Treasury	2.58	-5 bps	
USD/PHP	43.85	0.06	0.13%

Source: Bloomberg

## NEWS IN THE PHILIPPINES

### Infrastructure Spending Climbs 10% in March

- Development Budget Coordination Committee (DBCC): Disbursement records showed that infrastructure spending grew by nearly 10% year-on-year in March as the government focused on calamity-hit areas. However, the first quarter tally still fell short of the period's program. Public spending in infrastructure rose 9.9% to P27.3 billion in March, up from P24.9 billion during the same period last year. Total disbursements for the first quarter reached P77 billion, up 32.3% from the P58.2 billion spent during the first quarter of 2013 yet still failed to hit the period's P102.7 billion program.

### Local Bond Market

- The yield of the benchmark 5-year bond closed flat at 3.50%.
- The yields of bonds mostly gained with 5 yields higher, 3 lower, and 4 unchanged.

### Philippine Stocks

- The Philippine stock market extended its rally for a third straight day on stronger Chinese manufacturing data and month-end window dressing. The Philippine Stock Exchange index (PSEi) jumped 0.46% or 31.08 points to close at 6,793.26. Market breadth was positive with

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advancers leading decliners at 110 to 69 while 45 issues were unchanged.

## **Philippine Peso**

- The peso slumped on strong US manufacturing and home sales data. The local currency closed 0.13% or 6 cents higher at 43.85.

## **NEWS AROUND THE WORLD**

### **U.S. Consumer Confidence Reach 6 Year High; U.S. Home Sales Surge 19%**

- U.S. Conference Board: Consumer confidence in the world's largest economy rose for the second straight month in June, hitting its highest level since January 2008. The consumer confidence index climbed to 85.2, up from 82.2 during the previous month, with consumers more positive about the outlook for the labor market and having high expectations over the next six months.
- U.S. Commerce Department: New home sales jumped 18.6% in May, the largest one month increase since January 1992 and the strongest since May 2008, to a 504,000 annualized pace. The data, coupled with a favourable report on existing home sales, is a testament that housing is gathering momentum on the back of improving employment and stable borrowing costs.

### **US Stock Market**

- US stocks tumbled with the Dow shedding 100 points, its biggest one day drop in a month, despite favourable consumer sentiment and home price news. (Dow Jones -0.70% 16,818.13; NASDAQ -0.42% 4,350.36; S&P 500 -0.64% 1,949.98)

### **Asian Stocks**

- Asian stocks climbed for the first time in three days as utilities gained and HK shares rebounded. The MSCI Asia-Ex Japan Index rose 0.56% or 3.19 points to close at 571.76.

### **Emerging Markets**

- Emerging market stocks advanced, led by Russian and Turkish stocks. The MSCI Emerging Markets Index increased by 0.56% or 5.81 points to close at 1,048.14.

Sources: Bloomberg, Briefing.com, Business World, CNN, Inquirer, PhilStar, Reuters, WSJ

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