

Daily Matters

June 26, 2014

MARKET INDICATORS

As of June 25, 2014

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	6,834.68	41.61	0.61%
Dow Jones	16,867.51	49.38	0.29%
S&P 500	1,959.53	9.55	0.49%
NASDAQ	4,379.76	29.40	0.68%
MSCI Asia ex-Japan	570.20	-1.56	-0.27%
MSCI Emerging Market	1,041.78	-6.36	-0.61%
5 Yr FXTN	3.50	-	
10 Yr US Treasury	2.56	-2 bps	
USD/PHP	43.90	0.05	0.12%

Source: Bloomberg

NEWS IN THE PHILIPPINES

April Import Growth Slows

- Philippine Statistics Authority (PSA): Preliminary data released yesterday showed that merchandise imports significantly slowed in April on reduced purchases of capital goods and electronics. A total of \$5.309 billion worth of goods was shipped to the country, 3% higher than a year earlier but down from the 10.6% expansion the previous month. Inbound shipments reached \$21.530 billion for the first four months of the year, 9.9% more as compared during the same period last year.

Local Bond Market

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

Philippine Stocks

- The Philippine stock market rallied to a five week high, bucking the trend on regional and U.S. markets, due to window dressing and bargain hunting. The Philippine Stock Exchange index (PSEi) rose by 0.61% or 41.61 points to close at 6,834.68, the highest since May 20. Market breadth was positive with advancers overwhelming losers at 111 to 79 while 37

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issues were unchanged.

Philippine Peso

- The peso extended its losing streak on reports of a wider trade deficit and strong U.S. data. The local currency closed 0.12% or 5 cents higher at 43.90.

NEWS AROUND THE WORLD

U.S. Economy Contracts 2.9% in Q1, Equipment Orders Gain

- U.S. Commerce Department: The world's largest economy contracted at a much faster pace than previously estimated during the first quarter of the year but recent data releases have indicated a strong rebound. Gross Domestic Product (GDP) fell at a 2.9% annual rate, the worst in five years, reversing the 1.0% expansion reported last month.
- U.S. Commerce Department: American factories received more orders for business equipment in May, indicating that investment will help bolster a sharp slowdown during the first quarter of the year. Bookings for capital goods, such as computers, climbed 0.7% after falling by 1.1% in April. Increasing orders, combined with gains in employment, hints that better sales figures are pushing companies to expand.

US Stock Market

- US stocks rebounded led by the tech heavy NASDAQ. (Dow Jones 0.29% 16,867.51; NASDAQ 0.68% 4,379.76; S&P 500 0.49% 1,959.53)

Asian Stocks

- Asian stocks tanked after Wall Street suffered its biggest loss in more than a month. The MSCI Asia-Ex Japan Index dropped 0.27% or 1.56 points to close at 570.20.

Emerging Markets

- Emerging market stocks fell on increased violence in Iraq. The MSCI Emerging Markets Index lost 0.61% or 6.36 points to close at 1,041.78.

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

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