

## MARKET INDICATORS

As of July 26, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,037.51	65.79	0.83%
Dow Jones	21,711.01	97.58	0.45%
NASDAQ	6,422.75	10.58	0.16%
S&P500	2,477.83	0.70	0.03%
MSCI Asia ex-Japan	652.86	0.45	0.07%
MSCI Emerging Market	1,062.29	0.60	0.06%
5Yr FXTN	4.12	1 bps	
10 Yr US Treasury	2.29	-5 bps	
USD/PHP	50.65	0.09	0.18%

Source: Bloomberg



## News in the Philippines

### Fitch expects GDP to keep steady growth over the next five years

- In a report released yesterday, Fitch Ratings expects the Philippines to grow at a rate faster than six percent over the next five years. The international debt watcher is forecasting the country's average Gross Domestic Product (GDP) to reach 6.6% over the next five years. Citing strong economic activity and hefty dollar reserves, Fitch believes the Philippines is well set up to keep its sound macroeconomic footing. The credit rater expects GDP to reach 6.8% for 2017, which falls slightly below 2016's 6.9% mark. Additionally, Fitch affirmed its 'BBB-' rating for the country and highlighted a positive outlook as a result of the country's robust growth story.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.12, rising 1 bps during yesterday's session.
- The yields of bonds traded mostly negative throughout yesterday's session with 5 yields falling, 2 yields rising and 4 yields remaining stagnant.

### Philippine Stocks

- Local stocks ended the day positive and breached the 8,000-threshold posting its highest level of trading on the year. The market tracked Wall Street's overnight rise and investors continued to remain bullish following President Rodrigo R. Duterte's State of the Nation Address (SONA). The PSEi gained 0.83% or 65.79 points to end the day at 8,037.51.

### Philippine Peso

- The local peso weakened against the US Dollar after positive US economic news as well as investors awaiting the US Federal Reserve's policy decisions. The peso closed the day at PHP 50.56.



## News around the World

### US Federal Reserve keeps interest rates unchanged

- Yesterday, the US Federal Reserve decided to keep interest rates unchanged, however, Fed Chairwoman Janet Yellen said that it would start winding down its large amount of bond holdings signaling growing confidence of the US economy. After raising interest rates three times over the last three quarters, the central bank continued to keep its benchmark lending rate in a range of 1.00 percent to 1.25 percent. Noting that overall inflation and underlying price gains have declined, Yellen said that the Fed expects to begin the process of balance sheet normalization relatively soon.

### US Market

- U.S. stocks closed positive during yesterday's session after investors reacted positively to the US Federal Reserve decision. The S&P 500 ended at 2,477.83 rising 0.03% or 0.70 points. The Dow Jones gained 97.58 points or 0.45% to end at 21,711.01. The NASDAQ gained 10.58 points or 0.16% to close at 6,422.75.

### Asian Stocks

- Asian equity indices rose yesterday as investors awaited the US Fed policy decision that occurred last night. The MSCI Asia-Ex Japan Index gained 0.07% or 0.45 points to close at 652.86.

### Emerging Markets

- Emerging markets ended the day slightly higher as investors were waiting for the US Fed policy decision last night. The MSCI Emerging Markets Index rose 0.06% or 0.60 points, closing at 1,062.29.