

MARKET INDICATORS

As of August 3, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,876.66	4.01	0.05%
Dow Jones	22,026.10	9.86	0.04%
NASDAQ	6,340.34	-22.30	-0.35%
S&P500	2,472.16	-5.41	-0.22%
MSCI Asia ex-Japan	654.43	-4.31	-0.65%
MSCI Emerging Market	1,064.07	-5.90	-0.55%
5Yr FXTN	4.67	25 bps	
10 Yr US Treasury	2.22	-5 bps	
USD/PHP	50.27	-0.10	-0.19%

Source: Bloomberg



News in the Philippines

PH to Benefit from China's "One Belt, One Road" Project

- Hongkong and Shanghai Banking Corp. Ltd. (HSBC) President and CEO Wick A. Veloso considers the revival of the ancient silk trading routes an opportunity to get technological and funding support from China. The Philippine chairmanship of the Association of Southeast Asian Nation (ASEAN) this January has opened doors to new opportunities such as the chance to mutually cooperate in China's "One Belt, One Road" project, Chinese President Xi Jinping's initiative to revive the ancient silk trading routes, bridging the Asian and European markets. The project has a hefty budget of \$40 billion from the Silk Road Fund and \$100 billion from the Asian Infrastructure Investment Bank to support both sea and land-based infrastructure programs. With President Duterte expressing interest by attending the Silk Road Summit held last May 14-15, the country may benefit from getting a boost in employment locally and abroad through the deployment of our many skilled workers.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.67, rising by 25 bps during yesterday's session.
- The yields of bonds stayed on the negative throughout yesterday's session with 5 yields falling, 2 yields rising and 4 yields remaining stagnant.

Philippine Stocks

- Local stocks closed with slight gains on Thursday as the second quarter corporate earnings spiked investor interest. The PSEi gained 0.05% or 4.01 points to end the day at 7,876.66.

Philippine Peso

- The local peso weakened against the US Dollar due to consolidation and investors locking in on gains in anticipation for the release of U.S. labor data. The peso closed the day at PHP 50.27.



News around the World

China's Service Sector Growth at 51.5, Slightly Dips but Still Expanding

- The China Caixin Services Purchasing Managers' Index (PMI) released yesterday, shows growth in the service sector at 51.5 in July. The survey conducted by Markit, a financial information service provider, sponsored by Caixin Media Co Ltd., reveals a slightly lower rating than June's that was at 51.6. Nonetheless, the sector remains in the expansion zone bordering on 50. According to Caixin, the dip was due to the slowdown in hiring and growth in new businesses. The survey sample was composed of private purchasing executives from over 400 small and medium-sized companies belonging to the finance, real estate services and marketing, transport and retail industries.

US Markets

- U.S. stock market was mostly in the red at Thursday's close but shows profitability and steady economic growth. The Dow Jones Industrial Average Index shoots above the 22,000-yield mark fueled by the telecommunications equipment industry. The S&P 500 ended at 2,472.16 falling by 0.22% or 5.41 points. The Dow Jones gained 9.86 points or 0.04% to end at 22,026.10. The NASDAQ slipped 22.30 points down or 0.35% to close at 6,340.34.

Asian Stocks

- Asian equity indices fell due to Chinese liquidity concerns and decline slowdown in growth in the private sector. The MSCI Asia-Ex Japan Index fell by 0.65% or 4.31 points to close at 654.43.

Emerging Markets

- Emerging markets dipped as potential trade wars keep investors at bay. The MSCI Emerging Markets Index went down by 0.55% or 5.90 points, closing at 1,064.07.