

MARKET INDICATORS

As of August 9, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,985.83	-0.68	-0.01%
Dow Jones	22,048.70	-36.64	-0.17%
NASDAQ	6,352.33	-18.13	-0.28%
S&P500	2,474.02	-0.90	-0.04%
MSCI Asia ex-Japan	657.26	-4.78	-0.72%
MSCI Emerging Market	1,068.92	-9.61	-0.89%
5Yr FXTN	4.59	-6 bps	
10 Yr US Treasury	2.25	-1 bps	
USD/PHP	50.65	0.12	0.24%

Source: Bloomberg



News in the Philippines

First half national government debt service falls sharply

- Bureau of Treasury – Economic news released yesterday, highlighted how the government’s debt service bill decreased heavily in the first half of 2017. During the first six months of the year, the national government debt servicing was recorded at PHP 378.37 billion, which is down from the PHP 507.79 billion that was paid out during the same time last year. The fall was attributed to a decline in domestic amortization payments. Amortization payments totaled PHP 226.79 billion, down 35.95% from last year.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.59, falling 6 bps during Wednesday’s session.
- The yields of bonds traded negative throughout yesterday’s session. Yesterday, 8 yields fell and 3 yields remained stagnant.

Philippine Stocks

- Local stocks ended the day flat as companies reported second quarter that were less than stellar for the second quarter. Furthermore, US President Donald J. Trump’s statements surrounding North Korea further weight down the market. The PSEi fell 0.01% or 0.68 points to end the day at 7,985.83.

Philippine Peso

- The local peso continued to weaken against the U.S. dollar yesterday after President Trump’s words about the geopolitical tensions with North Korea. The peso closed the day at PHP 50.65.



News around the World

China’s CPI falls short of expectations

- National Bureau of Statistics – According to data released yesterday, China’s consumer price index (CPI) fell below expectations while its producer price index (PPI) hit expert forecasts. China’s CPI recorded a figure of 1.4% in the month of July after predictions suggested consumer inflation would remain at 1.5%. China’s PPI, on the other hand, hit expectations at 5.5% in July as it held steady for the third straight month. The figure was attributed to the recent rally in domestic steel prices. The inflation data from China will be watched closely to see how the country’s central bank will react in terms of monetary policy.

US Market

- U.S. stocks yesterday finished in the red as tensions between the US and North Korea heated up following President Trump issued a warning to the Asian nation. The S&P 500 ended at 2,474.02 falling 0.04% or 0.90% points. The Dow Jones fell 36.64 points or 0.17% to end at 22,048.70. The NASDAQ ended the day in the red as well, shedding 18.13 points or 0.28% to close at 6,352.33.

Asian Stocks

- Asian equity indices fell yesterday due to geopolitical tensions rising in the region as well as economic data from China falling below expectations. The MSCI Asia-Ex Japan Index fell by 0.72% or 4.78 points to close at 657.26.

Emerging Markets

- Emerging markets ended the day negative after investors reacted to President Trump’s stark warning to North Korea. The MSCI Emerging Markets Index dropped 0.89% or 9.61 points, closing at 1,068.92.