

## MARKET INDICATORS

As of August 10, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,966.25	-19.58	-0.25%
Dow Jones	21,844.01	-204.69	-0.93%
NASDAQ	6,216.87	-135.46	-2.13%
S&P500	2,438.21	-35.81	-1.45%
MSCI Asia ex-Japan	648.78	-8.48	-1.29%
MSCI Emerging Market	1,056.21	-12.71	-1.19%
5Yr FXTN	4.60	1 bps	
10 Yr US Treasury	2.20	-5 bps	
USD/PHP	50.77	0.12	0.24%

Source: Bloomberg



## News in the Philippines

### PH trade gap narrows as exports increase

- According to data released yesterday, the Philippines' trade gap narrowed as exports inched up for the seventh straight month in June. Sales abroad of Philippine made goods increased by 0.8% to reach \$4.913 billion for the month of June. The figure is a slowdown from May's 14% increase, however it is still a positive considering June 2016's 9.2% contraction. The increase in exports is attributed to improving global demand but more importantly, weaker demand for US goods and services. Looking ahead, Philippine trade is expected to recover as global economic recovery ramps up towards the latter half of the year.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.60, gaining 1 bps during Wednesday's session.
- The yields of bonds traded mixed throughout yesterday's session. Yesterday, 2 yields rose, 3 yields fell and 6 yields remained stagnant.

### Philippine Stocks

- Local stocks ended the day in the red as the political tensions surrounding the US and North Korea brought negative market sentiment throughout the region. The PSEi fell 0.25% or 19.58 points to end the day at 7,966.25.

### Philippine Peso

- The local peso continued to weaken against the U.S. dollar yesterday, hitting a three-week low, after investors are betting heavily on further monetary tightening by the US Federal Reserve. US inflation data will be released this week. The peso closed the day at PHP 50.77.



## News around the World

### US initial jobless claims rise

- Economic data released yesterday showed that initial claims for US unemployment insurance benefits increased over the latest week. The number of people who applied for benefits increased by 3,000, reaching 244,000. The figure was higher than the expected 240,000, however it is still below the 300,000 threshold that usually determines characteristics of a strong labor market. Job layoffs also remain low with applications for unemployment benefits registering less than 250,000 for the past 10 straight weeks.

### US Market

- U.S. stocks yesterday suffered its steepest decrease in the last three months as fears of North Korea hit its highest level since President Donald J. Trump warned the Asian nation. The S&P 500 ended at 2,438.21 falling 1.45% or 35.81 points. The Dow Jones fell 204.69 points or 0.93% to end at 21,844.01. The NASDAQ ended the day in the red as well, shedding 135.46 points or 2.13% to close at 6,216.87.

### Asian Stocks

- Asian equity indices fell yesterday due to geopolitical tensions rising in the region. The MSCI Asia-Ex Japan Index fell by 1.29% or 8.48 points to close at 648.78.

### Emerging Markets

- Emerging markets ended the day negative after investors continue to react to President Trump's stark warning to North Korea. The MSCI Emerging Markets Index dropped 1.19% or 12.71 points, closing at 1,056.21.