

MARKET INDICATORS

As of August 17, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,072.75	26.16	0.33%
Dow Jones	21,750.73	-274.14	-1.24%
NASDAQ	6,221.91	-123.19	-1.94%
S&P500	2,430.01	-38.10	-1.54%
MSCI Asia ex-Japan	651.04	2.30	0.35%
MSCI Emerging Market	1,063.33	3.06	0.29%
5Yr FXTN	4.74	7 bps	
10 Yr US Treasury	2.19	-4 bps	
USD/PHP	51.30	-0.09	-0.17%

Source: Bloomberg



News in the Philippines

GDP Growth Rate at 6.5% for Q2

- The Gross Domestic Product (GDP) growth for the second quarter year-on-year, is reported at 6.5% in contrast to the same quarter last year's growth that was at 7.1%. Increased government spending on public goods and services failed to boost economic growth as investments in private sector pulled it back as it slowed by 8.7% from 10.6% during the first three months of the current year. However, Socioeconomic Planning Secretary Ernesto M. Pernia shares that the Philippines is still one of the "best performing economies in Asia", outperforming its neighbors, Vietnam and Indonesia. In fact, based on data from the Philippine Statistics Authority, this quarter marks the eighth quarter of consecutive growth exceeding 6%. All in all, Bangko Sentral ng Pilipinas (BSP) Governor Nestor A. Espenilla Jr., confirms that the Q2 growth is proof that the country's economic growth remains strong.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.74, rising by 7 bps during yesterday's session.
- The yields of bonds traded flat throughout yesterday's session with 3 yields falling, 1 yield rising and 7 yields remaining stagnant.

Philippine Stocks

- Local stocks closed at its highest rate yet since July 27, 2016 staying above 8,000-yield mark yesterday. The market firm-up was driven by the GDP growth for the second quarter that is at 6.5%. The PSEI gained 0.33% or 26.16 points to end the day at 8,072.75.

Philippine Peso

- The local peso further weakened against the US Dollar closing at another 11-year low reflecting the country's current account balance deficit. The peso closed the day at PHP 51.30.



News around the World

Philadelphia Fed Business Outlook Survey Reflects Growth for August

- Philadelphia Fed Business Outlook Survey, an indicator of manufacturing sector trends shows that the General Business Conditions Index – Level this August to be at 18.9 well above the consensus of 17.0 but below July's 19.5. This shows growth as new orders and shipments indexes improve as well as the overall employment expansion continues. Consensus Range is set at 13.00 to 22.0.

US Market

- U.S. stocks closed negative during yesterday's session after investors run to safe-haven investments such as gold and other metals after news of the Barcelona, Spain attack. The S&P 500 ended at 2,430.01 falling 1.54% or -38.10 points. The Dow Jones weakened by 274.14 points or 1.24% to end at 21,750.73. The NASDAQ fell by 123.19 points or 1.94% to close at 6,221.91.

Asian Stocks

- Asian equity indices rose for the fourth day as investors regain confidence in increased earnings as the date of the next U.S. Federal Reserve interest rate hike remain uncertain. The MSCI Asia-Ex Japan Index gained 0.35% or 2.30 points to close at 651.04.

Emerging Markets

- Emerging markets continues to rise for two consecutive days as the dollar weakens and other currencies firm up. The MSCI Emerging Markets Index rose 0.29% or 3.06 points, closing at 1,063.33.