

MARKET INDICATORS

As of August 23, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,998.75	-17.18	-0.21%
Dow Jones	21,812.09	-87.80	-0.40%
NASDAQ	6,278.41	-19.07	-0.30%
S&P500	2,444.04	-8.47	-0.35%
MSCI Asia ex-Japan	655.69	1.55	0.24%
MSCI Emerging Market	1,075.60	3.08	0.29%
5Yr FXTN	4.62	-6 bps	
10 Yr US Treasury	2.17	-5 bps	
USD/PHP	51.21	-0.02	-0.05%

Source: Bloomberg



News in the Philippines

DOF Optimistic about Duterte Economic Reforms

- In a statement released on Wednesday, Finance Secretary Carlos G. Dominguez III shares that the economic reforms being effected by the Duterte administration will bring about “irreversible” economic growth. Looking at the GDP growth rate for the second quarter that is at 6.5% and the economic expansion rate for April to June which is one the fastest in the region, Secretary Dominguez believes that these will benefit the people in terms in alleviated poverty rate, higher income and increased domestic spending. Moreover, he believes that these signs of growth, will rake in private investments especially so with the government’s “Build, Build, Build” project.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.62, falling by 6 bps during yesterday’s session.
- The yields of bonds traded negative throughout yesterday’s session with 8 yields falling, 0 yields rising and 3 yields remaining stagnant.

Philippine Stocks

- Local stocks slid below the 8,000-mark as investors preferred stocks not belonging to the large cap class. The PSEi weakened by 0.21% or 17.18 points, to end the day at 7,998.75.

Philippine Peso

- The local peso continues to rise against the U.S. dollar in anticipation of the Jackson Hole Economic Policy Symposium and as inflows in the tobacco industry rise. The peso closed the day at PHP 51.21.



News around the World

U.S. Home Sales Drop in July

- Sinking to its lowest in seven months, U.S. single-family home sales drop due to escalating prices and hints of becoming one of the factors that can pull the economic growth for the third quarter down. Based on the report of the Commerce Department, from which data is drawn from new building permits, new home sales for July fell by 9.4% landing on a fluctuating annual rate of 571,000 units. The decline in sales rate is the lowest it has been since December 2016 and the percentage drop is the highest since August 2016.

US Market

- U.S. stocks closed in the red yesterday as investors lose confidence after President Donald J. Trump threatened to close the government down to get funding for the building a barrier wall between U.S. and Mexico. The S&P 500 ended at 2,444.04 falling by 0.35% or 8.47 points. The Dow Jones fell 87.80 points down or 0.40% to end at 21,812.09. The NASDAQ weakened 19.07 points or 0.30% to close at 6,278.41.

Asian Stocks

- Asian equity indices rose due to strong technology and mining data from Wall Street and Europe respectively. The MSCI Asia-Ex Japan Index rose by 0.24% or 1.55 points to close at 655.69.

Emerging Markets

- Emerging market stocks slowed yesterday as investor fear for trade war grew after U.S. President Donald J. Trump threatened to abolish the North American Free Trade Agreement (NAFTA). The MSCI Emerging Markets Index rose by 0.29% or 3.08 points, closing at 1,075.60.