

MARKET INDICATORS

As of August 24, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,004.93	6.18	0.08%
Dow Jones	21,783.40	-28.69	-0.13%
NASDAQ	6,271.33	-7.08	-0.11%
S&P500	2,438.97	-5.07	-0.21%
MSCI Asia ex-Japan	658.88	3.19	0.49%
MSCI Emerging Market	1,082.45	6.85	0.64%
5Yr FXTN	4.59	-3 bps	
10 Yr US Treasury	2.19	3 bps	
USD/PHP	51.03	-0.18	-0.35%

Source: Bloomberg



News in the Philippines

BSP tightens risk management rules

- The Bangko Sentral ng Pilipinas (BSP) yesterday issued a new set of guidelines that would require stronger risk management protocols for banks, other financial firms, as well as their subsidiaries. Circular No. 971, among other things, requires recognized financial companies to enhance risk identification, mitigation, and monitoring, covering both parent firms and their units. In other words, the guidelines will see that companies adopt a risk mindset in which they only take risks they are willing to assume in order to achieve their business objectives.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.59, falling 3 bps during Wednesday's session.
- The yields of bonds traded mostly downward throughout yesterday's session. Yesterday, 3 yields rose, 4 yields fell and 4 yields remained stagnant.

Philippine Stocks

- Local stocks inched up yesterday as investors continue to search for new catalysts to keep the index above the 8,000-threshold. The PSEi gained 0.08% or 6.18 points to end the day at 8,004.93.

Philippine Peso

- The local peso strengthened against the U.S. dollar yesterday, hitting a two-week high, after negative remarks from US President Donald J. Trump. The peso closed the day at PHP 51.03.



News around the World

US initial jobless claims rise less than expected

- Economic data released yesterday showed that initial claims for US unemployment insurance benefits increased over the latest week, however not up to analyst expectations. The number of people who applied for benefits increased by 2,000, reaching 234,000. The figure was lower than the expected 238,000, 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 slipped after investors cautiously look forward to remarks from key central bank chiefs, including Janet Yellen and Mario Draghi, in Jackson Hole, Wyoming this week. The S&P 500 ended at 2,438.97 falling 0.21% or 5.07 points. The Dow Jones fell 28.69 points or 0.13% to end at 21,783.40. The NASDAQ ended the day in the red as well, shedding 7.08 points or 0.11% to close at 6,271.33.

Asian Stocks

- Asian equity indices gained yesterday in anticipation of the events in Jackson Hole, Wyoming this week. The MSCI Asia-Ex Japan Index rose by 0.49% or 3.19 points to close at 658.88.

Emerging Markets

- Emerging markets ended the day negative after investors look toward Jackson Hole, Wyoming. The MSCI Emerging Markets Index dropped 0.64% or 6.85 points, closing at 1,082.45.