

MARKET INDICATORS

As of September 21, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,286.86	67.54	0.82%
Dow Jones	22,359.23	-53.36	-0.24%
NASDAQ	6,422.69	-33.35	-0.52%
S&P500	2,500.60	-7.64	-0.30%
MSCI Asia ex-Japan	677.03	-1.79	-0.26%
MSCI Emerging Market	1,108.19	-3.88	-0.35%
5Yr FXTN	4.80	20 bps	
10 Yr US Treasury	2.28	1 bp	
USD/PHP	51.07	0.08	0.15%

Source: Bloomberg



News in the Philippines

BSP keep rates unchanged

- During their meeting yesterday, the Bangko Sentral ng Pilipinas (BSP) kept rates unchanged, as expected. The decision was due to manageable inflation and robust economic activity in spite of rising global rates and geopolitical tensions. Inflation has been hovering within the central bank's 2-4% target at an eight-month average of 3.1%. The BSP kept the overnight lending rate at 3.5%, the overnight reverse repurchase rate at 3.0% and the overnight deposit rate at 2.5% at its 6th meeting this year. The assessment also comes at the heels of the US Federal Reserve's decision to maintain their rates as well, however hinting that a rate hike could occur in December.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.80, gaining 20 bps during yesterday's session.
- The yields of bonds traded mostly negative throughout yesterday's session. Yesterday, 4 yields rose, 6 yields fell and 1 yield remained stagnant.

Philippine Stocks

- Local stocks gained yesterday as the market would have hit another record high if not for mid-day profit taking. As a result, analysts suggest that the strong momentum could possibly propel the market for further ascent. The PSEi gained 0.82% or 67.54 points to end the day at 8,286.86.

Philippine Peso

- The local peso weakened against the U.S. dollar yesterday as the US Federal Reserve's hawkish statements boosted the greenback. The peso closed the day at PHP 51.07.



News around the World

US Initial Jobless Claims unexpectedly fall

- Economic data released yesterday showed that US weekly jobless claims unexpectedly fell last week, beating analyst expectations. Initial claims declined 23,000 to hit 259,000 for the period of September 10 to 16. Analysts forecasted claims to increase to 300,000, however it is the 133rd straight week that claims have been under the 300,000-threshold that is associated with a robust labor market. Data, though, continues to be affected by Hurricanes Harvey and Irma, which is muddying the labor market in the short term.

US Market

- U.S. stocks retreated during yesterday's close with the Dow snapping a nine-day winning streak. Investors digested the news from the US Federal Reserve and turned away from equities. The S&P 500 ended at 2,500.60 falling 0.30% or 7.64 points. The Dow Jones shed 53.36 points or 0.24% to end at 22,359.23. The NASDAQ retreated 33.35 points or 0.24% to close at 6,422.69.

Asian Stocks

- Asian equity indices fell yesterday as investors were still digesting the US Federal Reserve's hawkish statements. Investors also looked to see how Chinese markets would react to a downgrade on the country's credit rating. The MSCI Asia-Ex Japan Index fell by 0.26% or 1.79 points to close at 677.03.

Emerging Markets

- Emerging markets ended the day negative after the US Federal Reserve decided to leave rates unchanged at this point in time, but still expects another rate hike in December. The MSCI Emerging Markets Index fell 0.35% or 3.88 points, closing at 1,108.19.