

MARKET INDICATORS

As of September 25, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,244.73	-36.54	-0.44%
Dow Jones	22,296.09	-53.50	-0.24%
NASDAQ	6,370.59	-56.33	-0.88%
S&P500	2,496.66	-5.56	-0.22%
MSCI Asia ex-Japan	663.05	-8.83	-1.31%
MSCI Emerging Market	1,088.26	-13.99	-1.27%
5Yr FXTN	4.64	12 bps	
10 Yr US Treasury	2.22	-3 bps	
USD/PHP	50.68	0.01	0.01%

Source: Bloomberg



News in the Philippines

Debt market reforms to support infrastructure push

- Planned reforms are set to deepen the debt market and support infrastructure spending under the Duterte administration. The country's capital markets would provide an essential source of funding for President Rodrigo R. Duterte to promote financial stability, economic growth, and the availability of financial products. The BSP, Department of Finance, Bureau of Treasury as well as the Securities and Exchange Commission compiled a blueprint to increase access to the country's debt market, supposedly to be put in place beginning 2019. Some of the plans are to increase the volume of Treasury bills offered and also identify a system of obligations, rights, and incentives for "market-makers" who provide guidance on rate bids.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.64, gaining 12 bps during yesterday's session.
- The yields of bonds traded mostly negative throughout yesterday's session. Yesterday, 2 yields rose, 5 yields fell and 4 yields remained stagnant.

Philippine Stocks

- Local stocks fell yesterday after investors cashed in to begin the week as they look towards the end of the third quarter this weekend. The PSEi shed 0.44% or 36.54 points to end the day at 8,244.73.

Philippine Peso

- The local peso strengthened against the U.S. dollar yesterday as market players await the latest events regarding geopolitical tensions between the US and North Korea. The peso closed the day at PHP 50.68.



News around the World

Japan Manufacturing PMI hits four-month high

- Japanese manufacturing hit a third consecutive month of expansion in September. The Nikkei Markit Purchasing Managers' Index (PMI) hit 52.6 this month, a four-month high, up from 52.2 in August. The increase was said to be attributed to stronger demand both at home and abroad. New orders and new exports increased at a faster rate than August and employment continued to expand, however at a slower pace. The strong Q3 from Japan suggests we can expect quality production figures and a bump in business confidence moving forward.

US Market

- U.S. stocks retreated during yesterday's close with the technology industry suffering much of the losses. Additionally, tough words from North Korea's foreign minister and the White House, had investors feeling a little nervous. The S&P 500 ended at 2,496.66 falling 0.22% or 5.56 points. The Dow Jones shed 53.50 points or 0.24% to end at 22,296.09. The NASDAQ retreated 56.33 points or 0.88% to close at 6,370.59.

Asian Stocks

- Asian equity indices fell yesterday after the Chinese government's actions to cool down its real estate market. The MSCI Asia-Ex Japan Index fell by 1.31% or 8.83 points to close at 663.05.

Emerging Markets

- Emerging markets ended the day negative after Germany's Angela Merkel hangs on to power and North Korea's increasing tensions with the US. The MSCI Emerging Markets Index fell 1.27% or 13.99 points, closing at 1,088.26.