

Daily Matters

September 29, 2017

MARKET INDICATORS

As of Sept 28 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,156.04	-65.88	-0.80%
Dow Jones	22,381.20	40.49	0.18%
S&P500	2,510.06	3.02	0.12%
Nasdaq	6,453.45	0.19	
MSCI Asia ex-Japan	656.28	-4.5	-0.68%
MSCI Emerging Market	1,072.38	-6.19	-0.57%
5Yr FXTN	4.65	13 bps	
10 Yr US Treasury	2.31		
USD/PHP	50.94	-0.09	-0.17%

Source: Bloomberg



News in the Philippines

New BSP moves to help avert bubbles

- According to Fitch Ratings, a closer oversight by the BSP of two sectors with strong loan growth will boost its ability to detect blind spots.
- Starting June 30 of next year, banks are required to report specific information on real estate loans involving mid- and high-end housing units, as well as socialized and low-cost housing. The report will enable BSP to obtain a hold of the extent and quality of U/KB exposures to project finance.

Local Bond Market

- The yield of the benchmark 5-year bond appreciated and finished off at 4.65 bps.
- The yields of the bonds mostly appreciated with 8 yields rising and only 3 yields falling.

Philippine Stocks

- The local stocks fell on the red on Thursday's session as investors continued to lock up gains from the recent rally to record highs. The Philippine Stock Exchange index (PSEi) shed 65.88 points or 0.8% to close at 8,156.04, tracking mostly sluggish regional markets. The PSEi was weighed down by Metro Pacific while JG Summit and Jollibee also slipped.

Philippine Peso

- The local peso inched higher after yesterday's trade as the market saw profit-taking ahead of the release of United States' gross domestic product (GDP) data. The currency closed at Php 50.94 despite the ongoing tension between the North Korea and the US, which could have strengthened the dollar on safe-haven buying.



News around the World

Consumer Comfort in US increases for the first time in four weeks

- The Bloomberg Consumer Comfort Index shows Americans' confidence rose as households grew more upbeat about their finances amid higher stock prices. This rise represents a break from three straight declines and coincides with stock prices that are hovering near all-time highs. Confidence rose to 16 year- high amid continued solid price appreciation.

US Market

- The US Market posted slight gain, but the advance was enough to record a trio of all-time highs for three closely followed benchmarks: the Russell 2000, Dow transports and the S&P 500. The Dow Jones finished off at 22,381.20 or 40.49 points; S&P 500 at 2,510.06 or 3.02 points and lastly, Nasdaq ended at 6,453.45 or 0.19 points.
- Lower taxes and other proposed changes to tax policy were the key drivers during the session and investors are keen on buying due to Pres. Trump's tax overhaul proposal.

Asian Stocks

- Asian stocks were mixed as investors tried to gauge the impact from the sweeping tax reform plan of Pres. Trump. Another reason is of geopolitical tensions surrounding North Korea kept risk sentiment in check.
- Most other markets in the region traded in a narrow range in the absence of any triggers, underpinned by hopes that US administration may be making progress on fiscal reforms. The MSCI Asia-Ex Japan Index is at 656.28 with -4.5 points at -0.68%.

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Emerging Markets

- The Emerging market hit one-month lows, set for their longest losing streak since May last year. Turkey's lira and South Africa's rand touched multi-month lows as the dollar and U.S. yields rose. The MSCI Emerging Markets Index is at -0.57% or -6.19 points to close at 1,072.38 which extended the benchmark's sell off into a 6th straight session.

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