

## MARKET INDICATORS

As of October 9, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,367.38	56.50	0.68%
Dow Jones	22,761.07	-12.60	-0.06%
NASDAQ	6,579.73	-10.45	-0.16%
S&P500	2,544.73	-4.60	-0.18%
MSCI Asia ex-Japan	675.33	-0.72	-0.11%
MSCI Emerging Market	1,100.41	-2.71	-0.25%
5Yr FXTN	4.65	3 bps	
10 Yr US Treasury	2.36	0 bps	
USD/PHP	51.26	0.08	0.16%

Source: Bloomberg



## News in the Philippines

### Government makes full award of Treasury bills

- The Philippine Government yesterday, made a full award of the Php15 billion it had hoped to raise through the auction of Treasury bills. Because investors are cautious as they look towards an interest rate hike in the near future, demand continues to become stronger, driving yields lower. Offers received during Monday's auction reached Php58.404 billion which was four times the amount that the Bureau of Treasury was planning on raising from three-month, six-month, and one-year debt papers. The country's government securities eligible dealers (GSEDs) are more inclined to place in the shorter end of the curve as there are still risks looming from talks about a fed rate hike sometime in December. Still, the government plans to raise Php150 billion this quarter, down from the Php195 billion goal from July-September.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.65, gaining 3 bps during yesterday's session.
- The yields of bonds traded mostly flat throughout yesterday's session. Yesterday, 0 yields rose, 5 yields fell and 6 yields remained stagnant.

### Philippine Stocks

- Local stocks gained yesterday after investors stayed on the sidelines as they await the tax reform package approval and look forward to seeing positive third-quarter earnings. The PSEi rose 0.68% or 56.50 points to end the day at 8,367.38.

### Philippine Peso

- The local peso weakened against the U.S. dollar yesterday as strong US unemployment data show a strong bet of a December Federal Reserve Policy move. The peso closed the day at PHP 51.26.



## News around the World

### China's services sector growth at 21-month low

- Economic news released yesterday saw China's services sector grow at its slowest pace in 21 months for the month of September. The slowdown can be attributed to new orders cooling down and China's smaller companies continuing to struggle as large state-owned companies are earning all the benefits. China has been traditionally reliant on heavy industry and investment for growth, however it has been trying to change its aim and count on a growth in services, particularly high-value added services in finance and technology, to move the economy forward.

### US Market

- U.S. stocks retreated during yesterday's close with investors looking ahead to the beginning of earnings season. The S&P 500 ended at 2,544.73 falling 0.18% or 4.60 points. The Dow Jones shed 12.60 points or 0.06% to end at 22,761.07. The NASDAQ retreated 10.45 points or 0.16% to close at 6,579.73.

### Asian Stocks

- Asian equity indices fell yesterday after poor Chinese economic news was released on Monday. The MSCI Asia-Ex Japan Index fell by 0.11% or 0.72 points to close at 675.33.

### Emerging Markets

- Emerging markets ended the day negative after news was released that China's services sector grew at its slowest pace in 21 months. The MSCI Emerging Markets Index fell 0.25% or 2.71 points, closing at 1,100.41.