

MARKET INDICATORS

As of October 12, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,402.81	44.34	0.53%
Dow Jones	22,841.01	-31.88	-0.14%
NASDAQ	6,591.51	-12.04	-0.18%
S&P500	2,550.93	-4.31	-0.17%
MSCI Asia ex-Japan	686.75	3.13	0.46%
MSCI Emerging Market	1,121.62	4.29	0.38%
5Yr FXTN	4.61	2 bps	
10 Yr US Treasury	2.32	-3 bps	
USD/PHP	51.40	-0.07	-0.13%

Source: Bloomberg



News in the Philippines

Foreign inflows in September

- Bangko Sentral ng Pilipinas (BSP) – The month of September saw more foreign funds enter the Philippines as investors saw the first of up to five tax reform packages make advances throughout the Senate. Foreign investments, in September reached a \$112.63 million net inflow compared to August's \$57.52 million outflow. Investors saw the country as a favorable site to park investments because of the extension of the debt limit deadline in the United States as well as the Philippine Senate's approval of the first package of the tax reform. As a primary source for the country's Php8.44 trillion infrastructure development program, the tax reform also hopes to have Gross Domestic Product (GDP) hit 7.45% by 2022.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.61, gaining 2 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, hitting a fresh record high, as investors digested the minutes from the Federal Reserve's September meeting where officials concluded that the US economy is stable enough to withstand another rate hike in December of this year. The PSEi jumped 0.53% or 44.34 points to end the day at 8,402.81.

Philippine Peso

- The local peso weakened against the U.S. dollar yesterday after the US Federal Reserve's dovish remarks at their September 19-20 meeting. The peso closed the day at PHP 51.40.



News around the World

US Initial Jobless Claims hits a low while Consumer Comfort drops

- Economic news released yesterday showed that the US initial jobless claims hit a one-month low last week while consumer comfort fell for the fifth time in six weeks to reach an eleven-week low. Claims for unemployment fell 15,000 to reach 243,000 compared to analyst expectations of 251,000. Claims continued to stay below the 300,000-threshold, normally associated with a healthy labor market, for 136 straight weeks. Consumer Comfort, on the other hand, dropped to an eleven-week low, according to the Bloomberg Consumer Comfort Index. The drop is attributed to the impact of the two recent hurricanes that swept the US, raising gas prices, closing refineries, and destroying homes and businesses.

US Market

- U.S. stocks finished in the red during yesterday's close after disappointed earnings results in the telecom and financial sectors dragged the main indexes away from their record highs on Wednesday. The S&P 500 ended at 2,550.93 shedding 0.17% or 4.31 points. The Dow Jones fell 31.88 points or 0.14% to end at 22,841.01. The NASDAQ dropped 12.04 points or 0.18% to close at 6,591.51.

Asian Stocks

- Asian equity indices rose yesterday after investors continue to gain confidence in US markets and the global equities market rally in general. The MSCI Asia-Ex Japan Index gained 0.46% or 3.13 points to close at 686.75.

Emerging Markets

- Emerging markets ended the day positive, trading at their highest level since August of 2011, continue to track mostly positive US economic news. The MSCI Emerging Markets Index rose 0.38% or 4.29 points, closing at 1,121.62.