

Daily Matters

October 17, 2017

MARKET INDICATORS

As of October 16, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,447.94	45.13	0.54%
Dow Jones	22,956.96	85.24	0.37%
S&P500	2,557.64	4.47	0.18%
Nasdaq	6,624.01	18.21	0.28%
MSCI Asia ex-Japan	693.04	4.56	0.66%
MSCI Emerging Market	1,131.82	5.91	0.52%
5Yr FXTN	4.57	4 bps	
10 Yr US Treasury	2.3	3 bps	
USD/PHP	51.25	-0.16	-0.32%

Source: Bloomberg



News in the Philippines

August remittance bare spending support

- Bangko Sentral ng Pilipinas released a data that states a five-month high on remittance for the month of August due to expectations that household consumption continued to be a key driver of economic growth last quarter.
- Household consumptions is more than three-fifths of GDP, which grew by 6.4% against the government's 6.5-7.5% full year forecast. The August figures brought inflows to \$18.595 billion, year-to-date.

Local Bond Market

- The yield of the benchmark 5-year bond depreciated and finished off at 4.57bps.
- The yields of the bonds fell with only 2 yields rising out of 11 yields in total amidst weaker-than-expected US economic data and the dovish tone of the Federal Reserve regarding an interest rate hike.

Philippine Stocks

- Trading resumes today, regardless of the suspension of Government offices and classes due to the transport strike. The Philippine Stocks are pursuing the Shenzhen Stock Exchange to secure a minority interest in the local bourse. The PSE plans to undertake a follow-on offering and stock rights issue to reduce broker ownership to 20%.

Philippine Peso

- The local peso was seen moving sideways as weaker-than-expected US inflation data kept the market doubtful of a Fed Reserve rate hike. The Philippine peso rebounded at Php 51.25 versus the dollar due to profit taking after touching its year-to-date low.



News around the World

Empire State index jumps to three-year high in October

- The New York Fed reported that its Empire State manufacturing index climbed to a three-year high of 30.2 in October from 24.4 in September, topping the Econoday -compiled consensus of 20. New orders fell nearly 7 points to 18. A measure of employment also rose, a sign that factories in the state are creating more jobs.

US Market

- The US Market opened at all-time intraday highs to kick off the week, as investors focused on more than 200 companies set to report quarterly results during the next several sessions. The Dow Jones finished off at 22,956.96 or 85.24 points; S&P 500 at 2,557.64 or 4.47 points and lastly, Nasdaq ended at 6,624.01 or 18.21 points.

Asian Stocks

- Asian Stocks paused near recent highs due to concerns about North Korea reemerged. Equity benchmarks fluctuated across Asia after the S&P 500 Index reached a fresh record high. The MSCI Asia-Ex Japan Index is at 693.04 with 4.56 points at 0.66%.

Emerging Markets

- The Emerging market appreciated to a fresh 6-year high, but currencies cooled off after their recent rally as investors re-assessed the outlook for growth and inflation in China. The MSCI Emerging Markets Index is at 0.52% or 5.91 points to close at 1,131.82. The Market took some inspiration from China's Central bank governor and defying widespread expectations for a slowdown.

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