

## MARKET INDICATORS

As of October 18, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,431.73	-66.01	-0.78%
Dow Jones	23,157.60	160.16	0.70%
NASDAQ	6,624.22	0.56	0.01%
S&P500	2,561.26	1.90	0.07%
MSCI Asia ex-Japan	691.45	0.63	0.09%
MSCI Emerging Market	1,126.90	1.24	0.11%
5Yr FXTN	4.61	1 bp	
10 Yr US Treasury	2.35	5 bps	
USD/PHP	51.44	0.13	0.25%

Source: Bloomberg



## News in the Philippines

### Government plans early January sale for Marawi bonds

- Yesterday, the state Budget Chief said that the Philippine Government plans to sell 20-year bonds in early January as they hope to raise Php30 billion to assist in rebuilding war-torn Marawi City. After completing over four months of conflict, President Rodrigo R. Duterte has since declared that the city was liberated from terrorists. Most of the bonds issued will have a 20-year tenor but National Treasurer Rosalia V. De Leon highlighted that the “sweet spot would involve debt papers maturing in five to seven years.” At this time, the Government is waiting to find out what the total requirements are in Marawi City and once completed, they will begin the issuances.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.61, gaining 1 bp during yesterday’s session.
- The yields of bonds traded mostly flat throughout yesterday’s session. Yesterday, 2 yields rose, 4 yields fell and 5 yields remained stagnant.

### Philippine Stocks

- Local stocks fell yesterday, as investors took profit after a few days of highs. The bellwether market hit a long-overdue correction after it hit an all-time high during its previous trading day. The PSEi fell 0.78% or 66.01 points to end the day at 8,431.73.

### Philippine Peso

- The local peso weakened against the U.S. dollar yesterday after positive factory output news came out of the US, together with domestic profit taking. The peso closed the day at PHP 51.44.



## News around the World

### UK unemployment holds to hit 42-year low but real wages shrink

- Office of National Statistics – Economic news released yesterday showed that United Kingdom unemployment fell once again to reach its lowest level since 1975. The unemployment rate stood at 4.3% for the quarter until the end of August, unchanged from the previous quarter. Though the rate did not change, a recorded 52,000 fewer people were out of work. The data can be attributed mainly by women as well as the near-record level of vacancies in the country. Despite all this, real wages for average British citizens continued to decline as wage growth failed to keep up with inflation. The rising inflation and stagnating wage growth meant that real wage fell by 0.3% over the quarter.

### US Market

- U.S. stocks finished in the green during yesterday’s close as the Dow Jones finally broke through the 23,000-mark, driven by solid earnings by technology companies, stable economic growth, and hopes that President Donald J. Trump may be able to make progress on tax cuts. The S&P 500 ended at 2,561.26 gaining 0.07% or 1.90 points. The Dow Jones rose 160.16 points or 0.70% to end at 23,157.60. The NASDAQ climbed 0.56 points or 0.01% to close at 6,624.22.

### Asian Stocks

- Asian equity indices rose yesterday as they continue to ride on a global equities rally. The MSCI Asia-Ex Japan Index gained 0.09% or 0.63 points to close at 691.45.

### Emerging Markets

- Emerging markets ended the day positive as in China, a twice-a-decade Communist Party congress began with promises to boost the economy. The MSCI Emerging Markets Index rose 0.11% or 1.24 points, closing at 1,126.90.