

MARKET INDICATORS

As of October 19, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,487.37	55.64	0.66%
Dow Jones	23,163.04	5.44	0.02%
NASDAQ	6,605.07	-19.15	-0.29%
S&P500	2,562.10	0.84	0.03%
MSCI Asia ex-Japan	683.93	-7.52	-1.09%
MSCI Emerging Market	1,116.91	-9.99	-0.89%
5Yr FXTN	4.60	-1 bp	
10 Yr US Treasury	2.32	-3 bps	
USD/PHP	51.48	0.05	0.09%

Source: Bloomberg



News in the Philippines

BSP policy meeting minutes released

- Yesterday, the Bangko Sentral ng Pilipinas (BSP) released the minutes of its latest policy meeting in which it highlighted that rapid bank lending should not cause alarm for now. The BSP noted that the double-digit increases in bank lending have not shown to be a cause for concern, exhibited by authorities deciding to keep rates unchanged last month. Additionally, the country's economic growth expanded 6.4% last semester with the BSP seeing a 6.5-7.5% goal as still attainable. The upbeat economic outlook coupled with a boost in external trade could further enhance the Philippine economy and help the BSP decide on the timing of future rate hikes.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.60, falling 1 bp during yesterday's session.
- The yields of bonds traded mostly flat throughout yesterday's session. Yesterday, 3 yields rose, 4 yields fell and 4 yields remained stagnant.

Philippine Stocks

- Local stocks gained yesterday, as it climbs closer to the 8,500-mark. The market was boosted by general optimism over the Philippine and global economies. The PSEi climbed 0.66% or 55.64 points to end the day at 8,487.37.

Philippine Peso

- The local peso once again weakened against the U.S. dollar yesterday to hit an 11-year low after investors preferred to hold on to the safe-haven dollar with the release of bleak economic news and tensions in Europe increasing. The peso closed the day at PHP 51.48.



News around the World

China's GDP meets expectations

- National Bureau of Statistics – Economic news released yesterday showed that Chinese Gross Domestic Product (GDP) for the third quarter had met analyst expectations. The country announced a 6.8% expansion, just as analysts expected, however slower than the second-quarter's 6.9% figure. The figure can be attributed to positive economic development in the first three quarters with buoyant exports and a reduction in the reliance of leverage expansion. Chinese President Xi Jinping, in his leadership meeting yesterday, had made big promises for the country's economic future saying that the economic will move from high-speed to high-quality growth after reforms.

US Market

- U.S. stocks finished mostly in the green during yesterday's close as the Dow Jones hit a record high. Wall Street bet on further gains from positive corporate earnings. The S&P 500 ended at 2,562.10 gaining 0.03% or 0.84 points. The Dow Jones rose 5.44 points or 0.02% to end at 23,163.04. The NASDAQ, on the other hand, fell 19.15 points or 0.29% to close at 6,605.07.

Asian Stocks

- Asian equity indices fell yesterday as China's GDP just matched expectation while in key leadership talks led by President Xi Jinping. The MSCI Asia-Ex Japan Index shed 1.09% or 7.52 points to close at 683.93.

Emerging Markets

- Emerging markets ended the day in the red after China's GDP matched but did not beat expectations. The MSCI Emerging Markets Index fell 0.89% or 9.99 points, closing at 1,116.91.