

MARKET INDICATORS

As of October 24, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,279.92	-68.40	-0.82%
Dow Jones	23,441.76	167.80	0.72%
NASDAQ	6,598.43	11.60	0.18%
S&P500	2,569.13	4.15	0.16%
MSCI Asia ex-Japan	684.75	-1.72	-0.25%
MSCI Emerging Market	1,113.32	-2.58	-0.23%
5Yr FXTN	4.69	2 bps	
10 Yr US Treasury	2.42	5 bps	
USD/PHP	51.66	0.14	0.26%

Source: Bloomberg



News in the Philippines

Global uncertainty to drive funds out of the Philippines

- According to S&P Global Ratings, increasing global uncertainty could push out foreign capital outflows, even as the country is still considered to have upbeat growth prospects. The rating agency highlighted that economic risks would be attributed to external factors, such as rising protectionism overseas, geopolitical tensions, and uncertainty in financial markets. According to the Bangko Sentral ng Pilipinas (BSP), from January to September, foreign investments hit a \$206.25 million net outflow compared to the \$1.267 billion inflow posted in the same period of 2016. In spite of this, S&P expects the country's economy to expand by 6.4% in 2017, however still below expectations set by the government (6.5%-7.5%), the International Monetary Fund and the World Bank (6.6%), and the Asian Development Bank (6.5%).

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.69, rising 2 bps during yesterday's session.
- The yields of bonds traded flat throughout yesterday's session with 2 yields rising, 2 yields falling and 7 yields remaining stagnant.

Philippine Stocks

- Local stocks continued to retreat at yesterday's close as local investors continued to take profit after 10 near-successive record highs since mid-September. The PSEi fell 0.82% or 68.40 points to end the day at 8,279.92.

Philippine Peso

- The local peso weakened during yesterday's session as the market looks toward key economic growth data coming out of the US at the end of the week. The peso closed the day at PHP 51.66.



News around the World

Chicago Fed National Activity Index Rises in September

- Economic news released yesterday, showed that the American economy is making a strong start to the final quarter of 2017 as businesses grew at the fastest pace in eight months in October. According to HIS Markit, US Manufacturing Purchasing Manager's Index (PMI) rose to 54.5 in October, a nine-month high. Furthermore, the US Services PMI climbed to 55.9 in October from 55.3 and reached an eight-month high. After the release of the PMI data, the chances of a rate hike at the December Federal Open Market Committee meeting continues to increase.

US Market

- US stocks closed the day positive yesterday as the Dow Jones posted its strongest gains in more than a month after stronger than expected earnings results from industrial companies. Furthermore, positive economic data helped push all three indexes up. The S&P 500 ended at 2,569.13 rising 0.16% or 4.15 points. The Dow Jones climbed 167.80 points or 0.72% to end at 23,441.76. The NASDAQ gained 11.60 points or 0.18% to close at 6,598.43.

Asian Stocks

- Asian stocks declined yesterday after Wall Street's losses the previous day. Investors also await key US economic growth data this week. The MSCI Asia-Ex Japan Index fell 0.25% or 1.72 points to close at 684.75.

Emerging Markets

- Emerging markets fell yesterday tracking falls in developed markets. Turkish assets also had suffered after a report was released saying Turkish lenders could face substantial US fines for evasion of Iran sanctions. The MSCI Emerging Markets Index fell 0.23% or 2.58 points, closing at 1,113.32.