

MARKET INDICATORS

As of November 1, 2017

| Index/ Bond | Index Level/Yield | DoD Change | DoD % Change |
|----------------------|-------------------|------------|--------------|
| PSEi* | 8,365.26 | 69.31 | 0.84% |
| Dow Jones | 23,435.01 | 57.77 | 0.25% |
| NASDAQ | 6,716.53 | -11.14 | -0.17% |
| S&P500 | 2,579.36 | 4.10 | 0.16% |
| MSCI Asia ex-Japan | 699.42 | 7.46 | 1.08% |
| MSCI Emerging Market | 1,128.94 | 9.86 | 0.88% |
| 5Yr FXTN* | 4.51 | 11 bps | |
| 10 Yr US Treasury | 2.37 | -1 bp | |
| USD/PHP | 51.61 | 0.06 | 0.11% |

Source: Bloomberg

*As of October 30, 2017



News in the Philippines

M3 growth slows as lending picks up

- According to the Bangko Sentral ng Pilipinas (BSP), money supply growth slowed down over the month of September and bank lending saw a double-digit increase for the same period. M3 or domestic liquidity, the broadest measure of money in an economy, increased 14.5% in September as reaching Php10.146 trillion, slowing from the 15.4% figure in August. The pace was the slowest since the 13.5% figure recorded in July this year. On the other hand, the BSP also noted that there was an increase in bank lending for the month of September, marking the fifth-straight month of acceleration. Domestic credit climbed 21.1% last month compared to 20.4% in August. The total outstanding loans amounted to Php6.76 trillion for the same period.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.51, rising 11 bps during yesterday's session.
- The yields of bonds traded negative throughout Monday's session with 1 yield rising, 7 yields falling and 3 yields remaining stagnant.

Philippine Stocks

- Local stocks gained at Monday's close as local investors participated in window-dressing activities during the last trading day of the month. Last minute purchases fueled the jump. The PSEI climbed 0.84% or 69.31 points to end the day at 8,365.26.

Philippine Peso

- The local peso strengthened against the greenback during Monday's session as investors were profit taking ahead of the holidays coupled with better-than-expected US economic growth. The market also is awaiting the decision of the Federal Reserve's new chief. The peso closed the day at PHP 51.61.



News around the World

US Manufacturing growth cools in October

- Economic news released yesterday, showed that US manufacturing growth expanded at a slower pace during the month of October as US factories cooled from a 13-year high a month earlier. According to the Institute of Supply Management (ISM), the index recorded a figure of 58.7, below expectations of 59.5, and lower compared to September's 60.8 reading. Any figure above 50 indicates expansion and the country is averaging 57.1 for the year. Growth in manufacturing over the past two years has been steady, due to consumer spending and business investment.

US Market

- US stocks closed the day mostly positive yesterday after the US Federal Reserve kept interest rates unchanged leaving the door open for a December rate hike. The S&P 500 ended at 2,579.36 rising 0.16% or 4.10 points. The Dow Jones climbed 57.77 points or 0.25% to end at 23,435.01. The NASDAQ fell 11.14 points or 0.17% to close at 6,716.53.

Asian Stocks

- Asian stocks rallied yesterday after investors digest news that President Donald J. Trump could possibly pick Jerome Powell to lead the Federal Reserve. The MSCI Asia-Ex Japan Index gained 1.08% or 7.46 points to close at 699.42.

Emerging Markets

- Emerging markets gained yesterday after economic data released showed that economic expansion was intact in many developing nations. The MSCI Emerging Markets Index gained 0.88% or 9.86 points, closing at 1,128.94.