



Daily Matters

November 7, 2017

MARKET INDICATORS

As of November 6, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,523.07	146.94	1.75%
Dow Jones	23,548.42	9.23	0.04%
NASDAQ	6,786.44	22.00	0.33%
S&P500	2,591.13	3.29	0.13%
MSCI Asia ex-Japan	700.75	1.18	0.17%
MSCI Emerging Market	1,131.03	4.85	0.43%
5Yr FXTN	4.86	15 bps	
10 Yr US Treasury	2.32	-2 bps	
USD/PHP	51.22	0.04	0.08%

Source: Bloomberg



News in the Philippines

Real property prices bear watching

- According to Ivan Tan, the S&P Director for Financial Institution ratings, the prices of real property in the Philippines continues to remain reasonable despite appearing “frothy” as a result of increased rentals compared to outright purchases. At this point there is no actual market bubble, however market conditions seem to look towards one, but not this year, according to Tan. His view is that as long as unemployment stays relatively low and the economy continues to perform well, the situation occurring now will continue through 2018. The commercial real estate sector, on the other hand, remains comfortable, with the business process outsourcing (BPO) industry the source for genuine demand regarding office space.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.86, rising 15 bps during yesterday’s session.
- The yields of bonds traded negative throughout Monday’s session with 3 yields rising, 8 yields falling and 0 yields remaining stagnant.

Philippine Stocks

- Local stocks gained at yesterday’s close, hitting fresh highs, as local investors sifted through positive earnings results of selected companies abroad coupled with bargain hunting. The PSEI climbed 1.75% or 146.94 points to end the day at 8,523.07.

Philippine Peso

- The local peso weakened against the greenback during Monday’s session driven by economic data releases coming from the US last week. The positive non-farm payroll (NFP) data showed positive results and strengthened US markets as well. The peso closed the day at PHP 51.22.



News around the World

Japan services PMI hits 2-year high, manufacturing PMI at 5-month high

- Economic news released yesterday, showed that the Japanese service sector, in October, grew at its fastest in two years. The Nikkei-Markit Services Purchasing Manager’s Index (PMI) recorded 53.4 in October compared to 51.0 in September. As its strongest reading since August of 2015, the jump was due to a sharp rise in new orders while new businesses boosted employment for a tenth consecutive month. Also released yesterday was the Nikkei PMI Composite Index, which hit a five-month high, showing strong output growth in the manufacturing sector. The index reached 53.4 in October compared to 51.7 in September.

US Market

- US stocks closed the day positive yesterday as all three major indices hit new intraday peaks and closed at record highs. The rise was driven by the energy sector thanks, in particular, to a rally in oil prices. The S&P 500 ended at 2,591.13 rising 0.13% or 3.29 points. The Dow Jones climbed 9.23 points or 0.04% to end at 23,548.42. The NASDAQ gained 22.00 points or 0.33% to close at 6,786.44.

Asian Stocks

- Asian stocks gained yesterday after energy and material companies benefitted greatly from a surge in oil and metal prices. The MSCI Asia-Ex Japan Index gained 0.17% or 1.18 points to close at 700.75.

Emerging Markets

- Emerging markets climbed yesterday after a jump in commodity prices helped fuel demand for currencies from exporters of basic materials such as Mexico and Brazil. The MSCI Emerging Markets Index gained 0.43% or 4.85 points, closing at 1,131.03.

The content on this material is provided for information purposes only and should not be considered as investment advice. This document is not a solicitation or an offer to buy or sell any securities or related financial products. While this document was prepared with reasonable care, no guarantee is given as to the accuracy and completeness of the information herein. Information and/or views contained herein are for information only and based on data that ATR Asset Management (ATR) has researched. However, ATRAM does not represent that the information and/or views are accurate or complete, and these should not be relied upon as such. Any person receiving this document must make his/her own investigation and satisfy him-/herself as to the accuracy and completeness of the information and/or views. Any information or opinion expressed in this document is subject to change without prior notice. This document may not be reproduced or distributed without written consent from ATR Asset Management.