

# Daily Matters

November 17, 2017

## MARKET INDICATORS

As of November 16, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,206.44	-67	-0.81%
Dow Jones	23,458.36	187.08	0.80%
S&P500	2,585.64	21.02	0.82%
Nasdaq	6,793.29	87.08	1.30%
MSCI Asia ex-Japan	700.7	6.3	0.91%
MSCI Emerging Market	1,125.36	14.24	1.28%
5Yr FXTN	5.14	16 bps	
10 Yr US Treasury	2.38	5 bps	
USD/PHP	50.77	-0.19	-0.38%

Source: Bloomberg



## News in the Philippines

### BSP, MAS sign agreement on fintech collaboration

- The Bangko Sentral ng Pilipinas and the Monetary Authority of Singapore announced that they have signed an agreement to collaborate on financial technology (fintech), amidst an industry-wide push towards digital payments. This is in time for the 2<sup>nd</sup> Singapore FinTech Festival.
- The said agreement will provide avenues for a more defined structure and referral system and this will be the starting point for engagements.

### Local Bond Market

- The yield of the benchmark 5-year bond increased with 5.14 bps with most of the yields rising.
- Yields rose across the board, with the market seeing higher possibility of a US Federal Reserve interest rate hike next month. T-bills that were auctioned have reduced maturities given that the adjusted settlement date is in line with the hosting of the ASEAN Summit.

### Philippine Stocks

- With a strong economic growth being on the news, it failed to motivate the investors as it led the market to close just short, falling into the 8,100 territory. The benchmark Philippine Stock Exchange index (PSEi) declined by nearly 1 percent or 67 points, ending the day 8,206.44. The wider All Shares also lost 29.47 points or 0.61% to close at 4,834.68.

### Philippine Peso

- The local peso returned to the P50 per dollar level after yesterday's session on the back of the country's stronger-than-expected 3<sup>rd</sup> quarter GDP growth. The peso closed at Php 50.77. According to the Philippine Statistics Authority, the economy, grew by 6.9% in the third quarter

Market players stated that the stronger peso was driven by the poor greenback as the markets are still reacting to the weak US economic data on consumer price and retail sales which was released earlier this week.



## News around the World

### Philadelphia Fed business outlook for Nov 22.7 vs 24.6 estimate

- The Third Federal Reserve District released a survey that states the Philadelphia Fed business Outlook continues to expand; manufactured goods suggest continued gains for industrial output in the months ahead. The gain was led by a 2.3% jump in the production of nondurable goods, followed by other contributors.

### US Market

- US Stocks bounced back ahead of a vote on tax reform. Investors were looking ahead to a House vote on a tax reform bill. Leaders remain confident that the bill can be passed, despite lingering resistance seen from some Republicans. Dow Jones at 23,458.36 with 187.08 points or 0.80%; S&P500 ended at 2,585.64 with 21.02 points or 0.82% and lastly, Nasdaq is at 6,793.29 with 87.08 points or 1.30%.

### Asian Stocks

- Asian stocks were mostly firm and oil prices were steady, in spite of a second day loss on Wall Street. Asian markets edged up after a recent sell-off across global markets, but gains were tempered as the optimism that pushed equities to multi-year highs last week gives way to investor caution. The MSCI Asia ex-Japan closed at 700.7 with 6.3 points or 0.91%.

### Emerging Markets

- The Emerging Market broke a five-day losing streak as investors found relief from solid U.S. data in the wake of the recent global equity sell off while currencies advanced despite a slightly stronger dollar. The gain was brought by Asian heavyweight bourses Hong Kong and Seoul, and Chinese mainland stocks. The MSCI Emerging Market is at MSCI Emerging Market finished at 1,125.36 with 14.24 points or 1.28%.

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