

## MARKET INDICATORS

As of November 7, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,521.81	-1.26	-0.01%
Dow Jones	23,557.23	8.81	0.04%
NASDAQ	6,767.78	-18.65	-0.27%
S&P500	2,590.64	-0.49	-0.02%
MSCI Asia ex-Japan	704.71	3.96	0.57%
MSCI Emerging Market	1,134.55	3.52	0.31%
5Yr FXTN	5.06	20 bps	
10 Yr US Treasury	2.31	0 bps	
USD/PHP	51.42	0.20	0.39%

Source: Bloomberg



## News in the Philippines

### Inflation Shoots Up to a 3-Year High in October

- According to the report released on Tuesday, the country's headline inflation rate is at 3.5% in October, the fastest increase of basic goods prices year-on-year since November 2014, that can be attributed to higher food and oil prices. The National Economic and Development Authority (NEDA) said in a statement that food prices went up to 3.8% last month driven by corn, meat, and vegetables prices, higher than its posted inflation in September which was at 3.7%. Similarly, non-food inflation is higher last month at 3.2% compared to 3.1% in September due to the increase in petroleum gas, diesel and kerosene prices. The latest rate puts the 10-month average at 3.2%.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 5.06, rising at 20 bps during yesterday's session.
- The yields of bonds traded mostly negative throughout yesterday's session with 5 yields rising, 6 yields falling and 0 yields remaining stagnant.

### Philippine Stocks

- The local bourse traded flat during yesterday's session as investors digested earnings with the release of local corporate earnings reports. The industrial, holding firm, and mining/oil sectors pulled the index down while the financial, service, and property counters firmed up. The PSEi fell 0.01% or 1.26 points up to end the day at 8,521.81.

### Philippine Peso

- The local peso fell on Tuesday against the U.S. dollar in light of the latest inflation data and uncertainty in the composition of the US Federal Reserve's Federal Open Market Committee (FOMC). The peso closed the day at PHP 51.42.



## News around the World

### China's FX Reserves Rise for the 9<sup>th</sup> Month

- In China's latest central bank report, the country's foreign exchange reserves rose by \$700 million hitting \$3.109 trillion in October, rising for the ninth straight month, its longest streak of gains since June 2014. Despite this, market expected as faster rise, setting the target for last month at \$9.5 billion to end at \$3.118 trillion. Fear of capital flight was prevalent at the start of the year, but this was alleviated by stricter policies on money moving in the country and a weakening dollar, putting the Chinese yuan and the economy in a better position.

### US Market

- After yesterday's session, the Dow Jones Industrial Average (DJIA) rose and continued on its 7-day streak while the Standard & Poor's 500 (S&P 500), as well as the NASDAQ Composite Index (NASDAQ) ended the day on the negative as the nearing release of the US tax reform bill on Thursday and news on Saudi's anti-corruption efforts put investors on edge. The S&P 500 ended at 2,590.64 falling 0.02% or 0.49 points. The Dow Jones gained 8.81 points or 0.04% to end at 23,557.23. The NASDAQ slid 18.65 points or 0.27% to close at 6,767.78.

### Asian Stocks

- Asian shares climbed on Tuesday reaching a 10-year peak as US equity indices rose the previous day. The MSCI Asia-Ex Japan Index went up 0.57% or 3.96 points to close at 704.71.

### Emerging Markets

- Emerging markets continued to rise on Tuesday after reaching six-year high the day before due to strong Asian data. The MSCI Emerging Markets Index rose 0.31% or 3.52 points, closing at 1,134.55.