

MARKET INDICATORS

As of January 31, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,764.01	-146.47	-1.64%
Dow Jones	26,149.39	72.50	0.28%
NASDAQ	7,411.48	9.00	0.12%
S&P500	2,823.81	1.38	0.05%
MSCI Asia ex-Japan	767.21	3.85	0.50%
MSCI Emerging Market	1,254.59	6.96	0.56%
5Yr FXTN	4.74	-1 bps	
10 Yr US Treasury	2.71	-1 bps	
USD/PHP	51.34	-0.08	-0.15%

Source: Bloomberg



News in the Philippines

Money supply slows in December

- According to the Bangko Sentral ng Pilipinas (BSP) yesterday, Philippine money supply growth slowed down for the month of December due to the ease of bank lending and retail bonds issued by the government. M3, or domestic liquidity, increased by 11.9% or PHP10.6 trillion in December which is slower compared to the 14% in November. The rise was the slowest since the 11.5% climb in May 2017.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.74, fallin 1 bp during yesterday's session.
- The yields of bonds traded negative throughout yesterday's session with 1 yield rising, 7 yields falling and 3 yields remaining stagnant.

Philippine Stocks

- Local stocks fell during yesterday's close as the market continued to correct after one of the best January's on record. The index also followed international markets after the Dow Jones Industrial Average dropped 300 points. The PSEi fell 1.64% or 146.47 points to end the day at 8,764.01.

Philippine Peso

- The local peso strengthened against the greenback during yesterday's session after President Donald J. Trump's protectionist comments during his State of the Union address yesterday. The peso closed the day at PHP 51.34.



News around the World

Eurozone inflation matches estimate

- According to economic news released yesterday, the Eurozone inflation rate cooled for the month of January 2018, which could give the European Central Bank (ECB) some breathing room before they time the tightening of their monetary policy. The Consumer Price Index (CPI), a widely used measure of inflation, climbed 1.3% in January, matching analyst expectations. The ECB has said it expects an ease in inflation over the next few months. This could give them time to decide to eventually raise interest rates.

US Market

- US stocks closed the day positive yesterday after the US Federal Reserve left rates unchanged in their meeting yesterday. The first rate hike of the year is expected to occur in March under new Chairman Jerome Powell. The S&P 500 ended at 2,823.81 rising 0.05% or 1.38 points. The Dow Jones jumped 72.50 points or 0.28% to end at 26,149.39. The NASDAQ was climbed 9.00 points or 0.12% to close at 7,411.48.

Asian Stocks

- Asian stocks gained yesterday as investors felt the growth outlook and recent corporate earnings were strong enough to look past the rise in bond yields. The MSCI Asia-Ex Japan Index climbed 0.50% or 3.85 points to close at 767.21.

Emerging Markets

- Emerging markets rose yesterday after investors eased concerns with the Fed deciding not to raise rates. The MSCI Emerging Markets Index jumped 0.56% or 6.96 points, closing at 1,254.59.

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 (ATRAM) 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.