

MARKET INDICATORS

As of February 5, 2018

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	8,616.00	-194.75	-2.21%
Dow Jones	24,345.75	-1175.21	-4.60%
NASDAQ	6,967.53	-273.42	-3.78%
S&P500	2,648.94	-113.19	-4.10%
MSCI Asia ex-Japan	741.43	-12.08	-1.60%
MSCI Emerging Market	1,209.34	-21.49	-1.75%
5Yr FXTN	4.85	8 bps	
10 Yr US Treasury	2.71	-14 bps	
USD/PHP	51.49	-0.17	-0.32

Source: Bloomberg



News in the Philippines

Investment pledges rise in January

- The Board of Investments (BOI) approved investment pledges soared almost 6-fold to being 2018. The pledges jumped 538 percent to PHP51.3 billion from a PHP8 billion reading last January 2017. According to the BOI, the main source for the rise was due to renewable energy projects, accounting for PHP27.43 billion of the jump last month. The bulk of the projects show a certain confidence in the Duterte administration and the positive reforms and programs being put into effect.

Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.85, gaining 8 bps during yesterday's session.
- The yields of bonds traded negative throughout yesterday's session with 2 yields rising, 5 yields falling and 4 yields remaining stagnant.

Philippine Stocks

- Local stocks fell during yesterday's close as investors are cautious from news that the US Federal Reserve may raise rates more aggressively than anticipated. The PSEI fell 2.21% or 194.75 points to end the day at 8,616.00.

Philippine Peso

- The local peso weakened against the greenback during yesterday's session after positive economic trade news strengthened the dollar. The peso closed the day at PHP 51.49.



News around the World

US Markit services PMI falls in January

- According to economic news released yesterday, growth has slowed down in the US services sector over the month of January. The IHS Markit Services index fell to 53.3 in January from a reading for 53.7 in December. Furthermore, the composite PMI output index dropped 53.8 in January from 54.1 in December. The slowdown in services offset an acceleration in output growth in the manufacturing sector.

US Market

- US stocks closed the day negative yesterday, suffering their worst day since 2011. Investors are worried that higher inflation might push the US Federal Reserve to raise interest rates quicker than expected, which could slow down economic growth. The drop triggered a global sell-off as major indices in Europe and Asia followed suit. The S&P 500 ended at 2,648.94 falling 4.10% or 113.19 points. The Dow Jones fell 1,175.21 points or 4.60% to end at 24,345.75. The NASDAQ fell 273.42 points or 3.78% to close at 6,967.53.

Asian Stocks

- Asian stocks fell yesterday following the global sell off that occurred yesterday. The MSCI Asia-Ex Japan Index dropped 1.60% or 12.08 points to close at 741.43.

Emerging Markets

- Emerging markets declined yesterday, continuing its worst slide in more than a year. The index followed the track of the global market sell off. The MSCI Emerging Markets Index fell 1.75% or 21.49 points, closing at 1,209.34.