

## MARKET INDICATORS

As of March 27, 2017

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	7,245.97	-23.65	-0.33%
Dow Jones	20,550.98	-45.74	-0.22%
NASDAQ	5,840.37	11.64	0.20%
S&P500	2,341.59	-2.39	-0.10%
MSCI Asia ex-Japan	583.01	-1.27	-0.22%
MSCI Emerging Market	965.71	-3.42	-0.35%
5Yr FXTN	4.25	-4 bps	
10 Yr US Treasury	2.38	-3 bps	
USD/PHP	50.09	-0.16	-0.32%

Source: Bloomberg



## News in the Philippines

### BSP expects March inflation sustained above 3%

- Bangko Sentral ng Pilipinas has told the country that inflation would likely stay above three percent (3-3.8% estimate) for the month of March. The inflation, as expected, has been rising faster compared to March 2016's 1.1%. The figure can be attributed to higher power rates and a weaker peso pushing prices of goods and services upward, however rising food and oil costs capped the overall increase. Looking forward, the BSP will continue to keep an eye on economic and financial developments that could affect inflation outlook as the goal is to maintain price stability.

### Local Bond Market

- The yield of the benchmark 5-year bond closed at 4.25 dropping 4 bps.
- The yields of bonds fell throughout Monday's session with 5 yields falling and 6 yields remaining stagnant.

### Philippine Stocks

- Stocks slipped on Monday in reaction to developments in foreign markets, particularly the USA. Republican leaders of the US house of Representatives decided to abandon the proposed bill to replace the existing Affordable Care Act, also known as Obamacare. The PSEI dropped 0.33% or 23.65 points to end the day at 7,245.97.

### Philippine Peso

- The local peso traded strengthened against the US dollar during yesterday's session as investors expressed doubt that US President Donald J. Trump would be able to development his economic agenda any further for the country. The Republican-led health care bill that had failed to pass hurt the dollar but also proved a setback to one of President Trump's main campaign promises. The peso closed the day at Php 50.09.



## News around the World

### Trump's tax plan faces rockier road after healthcare bill loss

- US President Donald J. Trump pledged throughout his 2016 campaign and eventual presidency, to cut taxes, including the lowering of rates paid by corporations. However, on Friday, the House of Representatives, led by Republicans, refused to support Trump's healthcare bill that would dismantle the existing Affordable Care Act leading investors to reassess the chances for the passage of the tax reform agenda later this year. Intra-party differences have already refused to accept the bill, while all signs point to the tax agenda being next.

### US Market

- U.S. stocks mostly declined on Monday after investors assessed how the defeat of President Donald J. Trump's first major legislative action would impact the rest of his agenda. The S&P 500 ended at 2,341.59 falling by 0.10% or 2.39 points. The Dow Jones fell 45.74 points or 0.22% to end at 20,550.98. The NASDAQ added 11.64 points or 0.2% and ended at 5,840.37

### Asian Stocks

- Asian equity indices like most of the world, fell as a result of President Trump's healthcare bill failing to pass the US House of Representatives. Investors continue to be worried about the strength of Trump's economic plan. The MSCI Asia-Ex Japan Index dropped 0.22% or 1.27 points to close at 583.01.

### Emerging Markets

- Emerging markets have eased off 19-month highs after investors continue to worry whether President Trump can deliver on his 2016 President Campaign promises. The MSCI Emerging Markets Index fell 0.35% or 3.42 points, closing at 965.71.