

# Daily Matters

February 5, 2014

## MARKET INDICATORS

As of February 4, 2014

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	5,886.01	-129.29	-2.15%
Dow Jones	15,445.24	72.44	0.47%
S&P 500	1,755.20	13.31	0.76%
NASDAQ	4,031.52	34.56	0.86%
MSCI Asia ex-Japan	511.17	-8.57	-1.65%
MSCI Emerging Market	917.74	-9.00	-0.97%
5 Yr FXTN	3.60	-	
10 Yr US Treasury	2.63	5 bps	
USD/PHP	45.33	-0.08	-0.18%

Source: Bloomberg

## NEWS IN THE PHILIPPINES

### Infrastructure Spending Rises in November

- Budget Department: Infrastructure spending grew by 20.5% in the 11 months ending November as the government continued to boost the implementation of projects. Total spending amounted to P223.3 billion during the period compared with the P185.4 billion lodged during the same period the previous year, and accounting for 75.16% of the P297.1 billion programmed for the full year. However, growth still slowed from the 25.7% notched a month earlier.

### Local Bond Market

- The yield of the benchmark 5-year bond was unchanged at 3.60%.
- The yields of bonds mostly fell with 7 tenors falling, 3 rising, and 2 unchanged. All short term and most long term yields fell.

### Philippine Stocks

- Philippine stocks plummeted to a six-week low, mirroring a steep decline in Wall Street, on weaker US manufacturing data. The Philippine Stock Exchange index (PSEi) tumbled 2.15% or 129.29 points to close at 5,886.01. Market breadth was negative with decliners at 133, advancers at 29 and 30 issues flat.

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## Philippine Peso

- The peso regained ground against the greenback, following a regional uptrend, due to the Australian central bank's move to maintain interest rates. But yesterday's finish was still the weakest since August 2010. The local currency closed 0.18% or 8 cents lower at 45.33.

## NEWS AROUND THE WORLD

### US Factory Orders Fall; Australia Maintains Interest Rates

- US Commerce Department: New orders for US factory goods dropped in December, but rose for a third straight month when the volatile transportation sector was excluded. New orders for manufactured goods lost 1.5%, the largest fall since July, weighed down by lower bookings on transportation equipment.
- Reserve Bank of Australia: The Australian central bank kept rates steady and closed off the likelihood of a future interest rate cut as consumer prices continued to rise at an unanticipated rate. Rates were kept at a historic low of 2.5% after a series of cuts as the economy struggles from a year-long slowdown.

### US Stock Market

- US stocks recovered following a steep drop the previous trading day. (Dow Jones 0.47% 15,445.24; NASDAQ 0.86% 4,031.52; S&P 500 0.76% 1,755.20)

### Asian Stocks

- Asian stocks faltered after weak manufacturing data from the US cast doubt on the strength of its economy. The MSCI Asia-Ex Japan Index plunged 1.65% or 8.57 points to close at 511.17.

### Emerging Markets

- Emerging-market stocks continued its worst start to a year on record on concerns that the global economic recovery will wane, bringing the year's slump to 8.5%. The MSCI Emerging Markets Index lost 0.97% or 9.00 points to close at 917.74.

Sources: Bloomberg, Briefing.com, Business World, CNN, Inquirer, PhilStar, Reuters, WSJ

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