

# Daily Matters

February 11, 2014

## MARKET INDICATORS

As of February 10, 2014

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	6,042.25	31.11	0.52%
Dow Jones	15,801.79	7.71	0.05%
S&P 500	1,799.84	2.82	0.16%
NASDAQ	4,148.17	22.31	0.54%
MSCI Asia ex-Japan	518.71	-0.33	-0.06%
MSCI Emerging Market	935.50	-1.80	-0.19%
5 Yr FXTN	3.75	43 bps	
10 Yr US Treasury	2.67	-2 bps	
USD/PHP	44.98	-0.01	-0.02%

Source: Bloomberg

## NEWS IN THE PHILIPPINES

### November FDI Up 55%

- Bangko Sentral ng Pilipinas (BSP): Net Foreign Direct Investments (FDI) remained robust in November of last year, surging by 54.59% to \$286 million. The bulk of the placements were from non-residents who made placements in debt instruments issued by local affiliates, which more than doubled to \$225 million. Meanwhile, net capital inflows hit \$7 million, reversing the \$21 million net outflow last during the same period last year. Reinvestment in earnings totalled \$55 million, down 44.3% from a year earlier.

### Local Bond Market

- The yield of the benchmark 5-year bond rose 43 bps and closed at 3.75%.
- The yields of bonds mostly gained with 7 tenors rising, 3 unchanged, and 2 falling.

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## Philippine Stocks

- The Philippine stock market climbed for a fourth straight day driven by upbeat sentiment in Wall Street and as investors positioned portfolios ahead of the release of corporate earnings reports. The Philippine Stock Exchange index (PSEi) advanced 0.52% or 31.11 points to close at 6,042.25. Market breadth was positive with advancers outpacing decliners 82 to 63 with 46 issues unchanged.

## Philippine Peso

- The peso firmed against the dollar, tracking gains in Asian markets. The local currency closed 0.02% or 1 cent lower at 44.98.

## NEWS AROUND THE WORLD

### Eurozone Investor Confidence Surges; Italy and France Industrial Output Tumbles

- Sentix: The market research group's index of investor confidence improved to 13.3 this month, following a reading of 11.9 in January. This is the highest level of investor confidence since April 2011, fuelling optimism on the outlook for the region's economy. A reading above 0.0 indicates optimism.
- Italy National Institute of Statistics: Italian industrial production unexpectedly fell in December, damping hopes that the eurozone's third largest economy will strongly rebound from its longest post-war recession. Industrial output dropped 0.9% from November in seasonally adjusted terms, reversing three months of gains.
- France National Institute of Statistics and Economic Studies: French industrial production was weaker than expected in December due to deep falls from oil refining and automotive output. Industrial production declined 0.3% in December, steeper than the expected 0.1% slump.

## US Stock Market

- US stocks were subdued as investors wait for new Fed Chair's Congressional testimony. All three major indices inched higher after languishing for the most part of the day. (Dow Jones 0.05% 15,801.79; NASDAQ 0.54% 4,148.17; S&P 500 0.16% 1,799.84)

## Asian Stocks

- Asian stocks slightly dipped before Janet Yellen delivers her first testimony on monetary policy. The MSCI Asia-Ex Japan Index shed 0.06% or 0.33 points to close at 518.71.

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## **Emerging Markets**

- Emerging-market stocks slipped for the first time in three days led by financial and consumer companies. The MSCI Emerging Markets Index lost 0.19% or 1.80 points to close at 935.50.

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

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