

MACROECONOMIC SNAPSHOT

PEZA reports 41% investments, 15% employment and 4.5% export growth

The Philippine Economic Zone Authority was able to beat the odds in 2011 ending the year with sterling performances in terms of investment generation, employment and exports. PEZA Director-General Lilia B. De Lima announced a 41 percent increase in investments, 15 percent in employment and 4.5 percent in exports over 2010 figures. De Lima reported that PEZA was able to generate a total of P288.34 billion in investments for the whole of 2011 or 41 percent higher than the P204.395 billion investments haul in 2010. Employment generation was also up 15 percent to total jobs in the various ecozones registered with PEZA as against 728,318 direct jobs generated in 2010. As of November this year, PEZA exports have been up by a modest 4.54 percent or \$38.77 billion versus \$36.997 in 2010. Growth in export suffered given the economic slowdown in the US and Europe, the country's major export for electronic items. (Manila Bulletin)

BOI bares P368-B investments

The Board of Investments (BOI), the country's top investment-promotions agency, registered some P368.9 billion worth of new projects in 2011, an improvement of 22 percent from 2010. The amount will be used in 332 new investment ventures that are projected to open 67,211 new jobs once they are fully operational. In 2010 the BOI registered 246 new projects with 36,751 employment opportunities. "These figures represent renewed confidence in the reforms instituted by the present administration and in our country's strong macroeconomic fundamentals. We are committed to sustaining and increasing investments in the next few years with a sharper focus on developing industry road maps," said Trade Undersecretary Adrian Cristobal Jr., who is also the BOI managing head. (BusinessMirror)

BOC's 2011 collection estimated at P290.77 billion

The Bureau of Customs (BOC) expects to collect P290.766 billion in 2011, below the P320-billion collection goal set for the year. Customs Commissioner Ruffy Biazon said the P290.766-billion projected collections took into account the expected improvement in revenue in December. Nevertheless, the P290.766 billion is still P30 billion short of the 2011 target set by the interagency Development Budget Coordination Committee (DBCC). According to the latest data from BOC, the agency has collected P249.45 billion during the first 11 months of 2011. (The Philippine Star)

FINANCIAL TRENDS

Share prices post gains on first trading day

Most local stocks reported gains on the first trading day of 2012, which also marked the start of extended hours at the Philippine Stock Exchange. The main-share Philippine Stock Exchange index on Monday gained 25.12 points, or 0.57 percent, to finish at 4,397.08 as some investors started positioning for the New Year. But value turnover was sluggish at P1.77 billion, reflecting scant participation for the day. (Philippine Daily Inquirer)

P/\$ rate stands at P43.84/\$1

The peso exchange rate closed lower at P43.94 to the US dollar at the Philippine Dealing & Exchange Corp. The weighted average rate appreciated to P43.75 from P43.919. Total volume amounted to \$891 million. (Manila Bulletin)

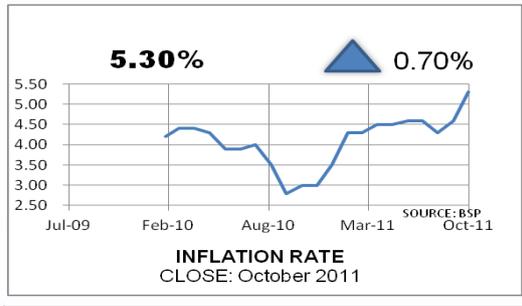
INDUSTRY BUZZ

Auto industry optimistic on road map

The automotive industry expects a road map from the Trade department to contain a strategy aimed at reviving parts manufacturing and integrating downstream firms in a bid to encourage vehicle production and exports, an official said yesterday. In lieu of the Motor Vehicle Development Plan, which the Board of Investments temporarily shelved last year, the industry is banking on a road map to give a clear policy direction toward supporting it instead. "The threat of more companies moving production gradually to Thailand or elsewhere is real... if business doesn't improve. We have been constantly meeting with the Trade department on what the government can do to help the industry, and we hope this road map will really come out this year" Frank M. Nacua, secretary-general of the Philippine Automotive Federation, Inc. (PAFI) said. (BusinessWorld)

Japanese car exports up but not in the country

Japanese car exports to the world grew 2.3% annually in November 2011 but the share of smaller economies such as the Philippines shrank further owing to competition from Korean brands. The steep decline continues to be the result of the ASEAN free-trade deal, which eliminated tariffs on completely built units in 2010 from 5% between 2003 and 2009. (BusinessWorld)



	Monday, January 2 2011	Year ago
Overnight Lending, RP	6.50%	6.00%
Overnight Borrowing, RRP	4.50%	4.00%
91 day T Bill Rates	0.919%	3.85%
Lending Rates	7.5320%	7.79%