



DASHBOARD

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MICROECONOMIC SNAPSHOT

Gov't debt hits P4.898 T as of Oct

The government's debt went up to P4.898 trillion as of end-October 2011, 4.68 percent higher than the end-October 2010 figures, latest data from the Bureau of the Treasury showed. Theoretically, at this level, each of the 94 million Filipinos is indebted by P52,106. Of the total debt, P2.062 trillion or 42.11 percent is owed to foreign creditors while P2.835 trillion or 57.89 percent is owed to domestic lenders. The government's domestic debt increased year-on-year from the end-October 2010 level of P2.697 trillion. Compared to the end-September 2011 level of P2.780 trillion, domestic debt increased by P54.55 billion as the government issued more debt than it redeemed. Similarly, on a year-on-year basis, foreign debt rose to P2.062 trillion from the end-October 2010, or an increase of P80.85 billion. (The Philippine Star)

Hot money inflows slowed down in 2011—BSP

The net inflow of foreign "hot money" into the Philippines dropped in 2011 from the previous year's, as the uncertain outlook on the global economy prompted some investors to shy away from perceivably risky assets, such as those from emerging markets. BSP said the prolonged debt crisis in the eurozone and the slow recovery of the US economy from its recession in 2009 were the main reasons for the drop in the net inflow of foreign investments in the country's stocks, bonds and other securities. Net inflow of foreign portfolio investments in 2011 amounted to \$4.1 billion, down by 11.5 percent from \$4.6 billion the previous year. (Philippine Daily Inquirer)

Philippines: World's 16th largest economy by 2050?

"Strong fundamentals and powerful demographics" can propel the Philippines into becoming one of the top 30 economies in the world by 2050, global banking giant HSBC said. The country is projected to be the 16th largest economy by 2050, a "striking rise" of 27 places from its current ranking, the bank said in "The World in 2050" report released yesterday. The Philippines was also categorized as one of 26 "fast-growth" countries expected to register an average expansion of more than 5% per year. "They share a very low level of development but have made great progress in improving fundamentals. As they open themselves to the technology available elsewhere, they should enjoy many years of 'copy and paste' growth ahead," the report read. (BusinessWorld)

FINANCIAL TRENDS

PSEi inches to new high; Asian stocks fall

Philippine stocks inched toward a new high on Thursday despite profit-taking earlier in the session. But other Asian stocks fell as weaker Japan trade data added to evidence of a global slowdown, damping speculation that lower inflation in China may result in looser monetary policy. The benchmark Philippine Stock Exchange Index, now on a four-day winning streak, added 2.25 points to 4,648.11, breaking the previous session's record of 4,645.86. Net foreign buying hit P1.42 billion by the close of trading. (BusinessMirror)

P/\$ rate closes at P44.06/\$1

The peso exchange rate closed lower at P44.06 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P43.995 the previous day. The weighted average rate depreciated to P44.023 from P44.006. Total volume amounted to \$1.280.395 billion. (Manila Bulletin)

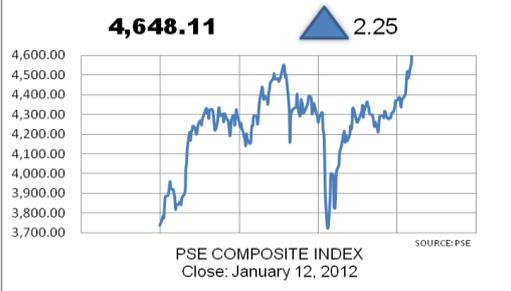
INDUSTRY BUZZ

Hyundai bucks downtrend in automotive sales

The local distributor of Hyundai Motor Co. yesterday posted a modest 1% growth in 2011 on the back of modest passenger car sales. Hyundai Asia Resources, Inc said it sold 20,297 units last year compared to 20,172 units in 2010. "Buyers snatched newcomers Accent and Elantra, and... [the older model] Sonata. On top of that, sports category leader Genesis Coupe kicked in an extraordinary performance for Hyundai". In December alone, HARI sales fell by 6.84% to 1,375 units from 1,476 for the same period in 2010. The passenger segment fared better for the full year posting a 13% growth to 10,700 units in 2011 from 9,450 the year before, while light commercial vehicles fell 10% to 9,597 units to 10,722 for the same year-on-year basis. (BusinessWorld)

Motor Image Pilipinas offers Subaru Forester 2.5XT and 2.0XS

Motor Image Pilipinas takes pride in its forester which has recently won as Sunshine Television's Autofocus' "Media choice award for best engine performance" under the compact SUV category. The 2011 Subaru Forester 2.5XT and 2.0XS variants not only boast performance credentials but a stylish interior and body works as well, with its sporty designed front grille, and side view mirror integrated turn signals for the exterior, while having more creature comfort features such as Bluetooth connectivity, dual zone climate control, and a sporty designed instrument cluster for a more sophisticated approach to dynamic driving. (Manila Bulletin)



	Thursday, January 12 2012	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	7.7195%	7.79%

