



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### PHL could attract \$75-B FDI

Business groups belonging to the Joint Foreign Chambers (JFC) on Tuesday expressed confidence of increased foreign investments this year that could amount to \$75 billion, with investors beginning to take notice of the administration's policy reforms to improve the business climate. Last year the group forwarded to Malacañang 471 recommendations to propel the growth of seven "big winner sectors" in the country. It said the proposals, if implemented, would allow the country to attract about \$75 billion in foreign direct investments (FDI). "The prospects look good for a growing economy in 2012 and I think foreign investments will increase substantially," John Forbes, senior adviser of the American Chamber of Commerce, told. (BusinessMirror)

### Euro zone may still avert recession — surveys

The euro zone may yet escape recession, thanks to a surprise upturn in the service sector that outweighed the ongoing contraction in manufacturing this month, surveys showed on Tuesday. Markit's Flash Eurozone Purchasing Managers' Composite Index (PMI), often seen as a growth indicator, jumped to 50.4 from December's 48.3 — its highest reading in four months. That easily beat the highest forecast of 49.5 in a Reuters poll, which gave a median prediction of 48.5. "The index seems to have bottomed out in October and we've had three months of improvement. Three months we see as a turningpoint signal, and we are beginning to get a bit more confident," said Chris Williamson, chief economist at data provider Markit. (BusinessWorld)

## FINANCIAL TRENDS

### Philippine stocks end lower as profit-taking continues

Most local stock prices tumbled further on Wednesday, dragging the main index below the 4,700-mark, as investors continued to pocket gains after the main index hit fresh highs last week. The main-share Philippine Stock Exchange index shed 43.86 points, or 0.93 percent, to 4,670.49. "Many stocks are overbought so this profit-taking may continue in the next few days," said Asiasec Equities chief strategist Manny Cruz. Cruz said the PSEi's support levels are seen at 4,660, 4,630 and 4,589. (Philippine Daily Inquirer)

### Sideways close for peso amid lack of market leads

The peso was little changed against the dollar yesterday due to lack of leads. It added just two centavos to settle at P43.13 per dollar against its P43.15-per-dollar close last Tuesday. The local currency was last seen at this level last Nov. 3. (BusinessWorld)

### 91-Day T-Bill rises to 1.674%

Treasury bill yields rose at the Bureau of Treasury's auction yesterday even as it rejected most tenders — and all bids for its one-year paper — to temper an increase in its borrowing costs. The BTr accepted a total P3.76 billion of the P13.39 billion tendered by government securities dealers at the auction. A total of P9 billion in 91-day, 182-day and 364-day bills were offered. The yield on the 91-day paper rose to 1.674% from 1.428% previously, while that on the 182-day paper climbed to 2.222% from 1.824% despite bid rejections. The yield on the one-year paper would have risen to 2.953% had the BTr Treasury accepted the bids. (Manila Bulletin)

## INDUSTRY BUZZ

### MMPC maintains steady annual growth despite challenges

Despite last year's challenges — the earthquake and tsunami that had hit Japan in the early part of 2011 and the massive flooding in Thailand that affected the auto industry's supply chain a few months after — Mitsubishi Motors Philippines Corporation still registered a 1 percent growth as compared to 2010. This translates to total sales of 32,603 units. Among MMPC's drivers of growth are its light commercial vehicles. Last year, MMPC was able to top several segments, including the SUV segment wherein the combined sales of Montero Sport and Pajero reached 12,210 units. (Philippine Daily Inquirer)

### Chrysler eyes hatchback

Chrysler Group LLC, the US automaker controlled by Italy's Fiat SpA, could build a compact hatchback that Chief Executive Sergio Marchionne calls the "Chrysler 100," the CEO told the Detroit Free Press. If built, the compact hatchback would be exported as a Lancia model, Fiat's luxury brand in Europe, Marchionne said in an interview with the newspaper. The success of the Fiat and Chrysler combination relies on Marchionne's ability to fuse the automakers' operations to lower costs and develop vehicles in unison. At the Detroit auto show this month, Chrysler introduced the Dodge Dart compact sedan, the first vehicle developed by both Fiat and Chrysler. The Dart is built on a Fiat-engineered platform that will also serve as the basis for the next generation of Jeep SUVs. (BusinessWorld)



	Wednesday, January 25 2012	Year ago
Overnight Lending, RP	6.25%	6.50%
Overnight Borrowing, RRP	4.25%	4.50%
91 day T Bill Rates	0.919%	3.85%
Lending Rates	7.7285%	7.79%

