

# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### Philippine economy grew by 3.7 percent in Q4 2011

Amidst the obstinate exogenous economic woes, the government underspending on infrastructure in the second and third quarters and the sustained decline in fishing, the domestic economy grew in 2011 by a relatively feeble 3.7 percent compared to 7.6 percent in 2010. Net primary income declined by 0.9 percent pulling down GNI to a 2.6 percent annual growth from 8.2 percent last year. The catch up government spending in the last quarter and the resilience of the services sector helped cushion the impact of the slowdown in the Eurozone, the creeping economic recovery of the US and the typhoons towards the end of the year as GDP grew by 3.7 percent in the fourth quarter from 6.1 percent in the same quarter last year. From three consecutive quarters of decline, NPI recovered with 2.9 percent in the fourth quarter, nevertheless pulling down GNI growth to 3.5 percent from 5.6 percent. (NSCB Press Release)

### Infra spending boom seen until 2015

The Philippines is on the cusp of an infrastructure spending boom that may attract record-high annual investment levels of P200 billion to P400 billion starting this year through 2015 as the public-private partnership finally gains momentum, a research by investment firm CLSA Asia-Pacific said. "Investments in infrastructure should jumpstart the next phase of high economic growth in the Philippines. From more efficient travel to encourage domestic tourism, to stronger growth in loan growth due to financing requirements, the economy stands to benefit greatly," according to CLSA's special report on Philippine infrastructure. (Philippine Daily Inquirer)

### BSP sees Jan inflation at 3.6% to 4.5%

Inflation in January likely hit anywhere from 3.6 percent to 4.5 percent, according to Bangko Sentral ng Pilipinas (BSP) Governor Amando Tetangco Jr. Tetangco said inflation during the month remained manageable as utility prices went down. The National Statistics Office (NSO) is set to announce the inflation rate in January early next week. "Inflation in January remained manageable as increases in the prices of select fruits and vegetables were likely offset by reductions in utility charges," Tetangco said. He said monetary authorities would continue to keep a close watch on factors that could affect the inflation environment. (The Philippine Star)

## FINANCIAL TRENDS

### Profit-taking seen to continue

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### More peso appreciation expected

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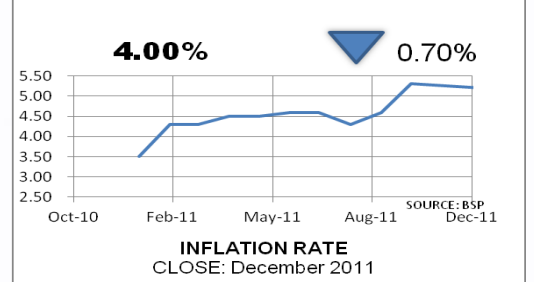
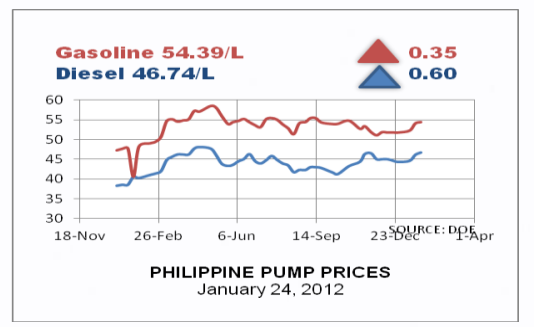
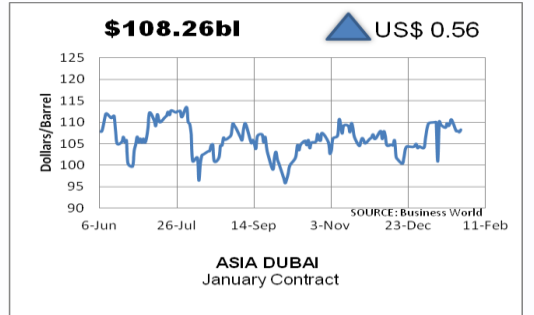
## INDUSTRY BUZZ

### Toyota assumes leadership of CAMPI, bats for vehicle, parts production

The Chamber of Automotive Manufacturers of the Philippines Inc. has elected its new set of officers with Toyota Motor Philippines Corp. taking on a new leadership that vows to support sustained local vehicle production and autoparts manufacturing. Atty. Rommel R. Gutierrez, TMPC vice-president, was elected CAMPI president. Mitsubishi Motors Philippines Corporation represented by Dante Santos was elected vice-president while Nissan Motor Philippines Corporation represented by Val De Leon was elected treasurer. Past president Jose Alvarez, chairman of Asian Carmakers Corp., will assume the position of chairman of the board. For this year, the industry has tentatively set a 9 percent growth over 2011. The industry sold a total of 141,000 units in 2011, four percent lower than 2010 pulled down by the impact of the Japan earthquake and tsunami and the flooding in Thailand that disrupted the industry's supply chain. (Manila Bulletin)

### Hyundai reports record \$7.2-B profit in 2011

Japan's top three car makers Friday reported solid increases in domestic production for December, in a sign that the worst is over after natural disasters both at home and abroad disrupted their supply chain networks most of last year. Toyota Motor Corp. said that its domestic output rose 17% from a year earlier to 284,477 vehicles in December. Honda Motor Co., the country's No. 3 car maker, lifted production 11% year-to-year to 92,663 vehicles. Meanwhile, Nissan Motor Co. built 114,175 vehicles in December, up 25% from a year earlier. (The Wall Street Journal)



	Monday, January 30 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%

