



# DASHBOARD

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## MICROECONOMIC SNAPSHOT

### 2011 revenue collection increases 13%

The Department of Finance said the national government registered its highest revenue take in over a decade in 2011 despite the absence of new taxes and asset sales. Finance Secretary Cesar V. Purisima said that government revenue increased by more than 13 percent last year from P1.093 trillion it raised in the previous year. Purisima, however, did not provide the actual revenue figure for 2011. "This is the highest in at least over a decade without new taxes and without asset sales, purely from efficiency improvement – in an economy that didn't go very fast, and that is why we continue to focus on this," Purisima said. BIR has not yet released its collection performance in 2011. Meanwhile, the Bureau of Customs reported that it missed its collection target for last year, raising only P263.85 billion. Budget and Management Secretary Florencio B. Abad earlier said that the government's fiscal deficit probably widened in December as the government increased spending to bolster an economy. (Manila Bulletin)

### 4.5M families went hungry in 2011

A total of 4.5 million families in the country went hungry in the last quarter of 2011, up by some 400,000 families from the previous quarter, according to the latest Social Weather Stations survey. Results of the survey conducted on December 3 to 7 last year showed that 22.5 percent of households went hungry, 1 percentage point higher than the 21.5 percent in the third quarter. The incidence of hunger in the two quarters are statistically identical given the margin of error of plus or minus 3 percentage points. SWS asked respondents: "In the last three months, did it happen even once that your family experienced hunger and did not have anything to eat?" Those who answered in the affirmative were further asked: "Did it happen 'only once,' 'a few times,' 'often' or 'always?'" The noncommissioned survey used face-to-face interviews with 1,200 adult respondents nationwide. The margin of error for area percentages were plus or minus 6 percentage points. (Philippine Daily Inquirer)

### Growth uptick eases pressure on key rates

A slight uptick in the economic output for the last quarter has eased the pressure on the Bangko Sentral ng Pilipinas (BSP) to further cut rates, economists from financial institutions said yesterday. "Looking ahead, given that liquidity remains ample in the system, we do not expect further cuts from the BSP," Trinh Nguyen, economist at the Hongkong and Shanghai Banking Corp., Ltd. (HSBC), said in a research note last Monday. "Moreover, the acceleration of growth in fourth quarter 2011 and an upward revision to third quarter's growth print would have helped to temper pressure for monetary officials to accommodate growth," she added. (BusinessWorld)

## FINANCIAL TRENDS

### PSE rebounds on possible economic boost

Stocks recovered on Tuesday, closing higher as the market cheered news that the central bank was ready to ease policy rates anew to support economic growth. The Philippine Stock Exchange index (PSEi) added 0.82% or 37.95 points to close at 4,682.44, after falling by 0.76% the day before. The broader all-share index was similarly up by 0.89% or 28.01 points to 3,175.47. (BusinessWorld)

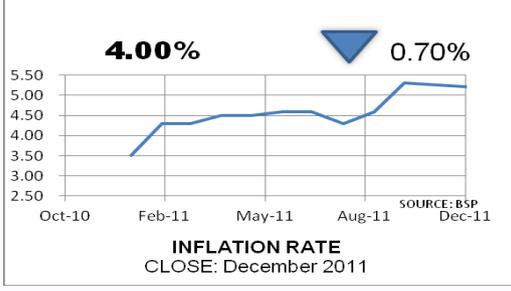
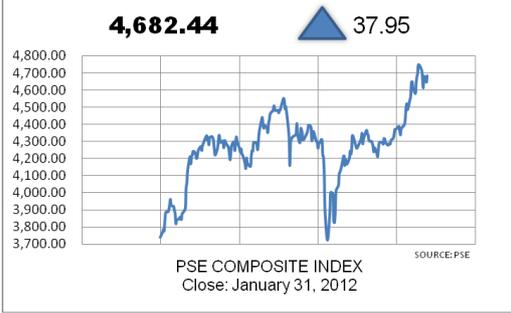
### P/\$ rate closes at P42.85/\$1

The peso exchange rate closed higher at P42.85 yesterday at the US dollar at the Philippine Dealing & Exchange Corp. (PDEX) from 43.075 the previous day. The weighted average rate appreciated to P42.946. Total volume amounted to \$1.134.346 billion. (Manila Bulletin)

## INDUSTRY BUZZ

### Auto industry presents roadmap

The local auto industry is asking up to 100 percent excise tax rebate from the government to make local manufacturing more competitive. During the Third Automotive Manufacturing Summit held yesterday at the Hotel Intercon, the Philippine Automotive Competitiveness Council Inc. (PACCI) presented a roadmap made by the University of Asia and the Pacific in response to the call of the Department of Trade and Industry (DTI) for the auto industry to present what they need in order for local manufacturing to take off and eventually increase export. PACCI said that for local production the support they need is an excise tax rebate of up to 100 percent to encourage local sales and improve the model's competitiveness. The roadmap consists of three principal stages, namely the local market build-up phase with the extension of incentives for complete vehicle, parts and components exports; the expansion of local vehicle sales and of exports of the selected models for local manufacture and lastly, by 2020, the integration of the local automotive manufacturing sector into the regional vehicle, parts and components sourcing network of the brand principals. (The Philippine Star)



	Tuesday, January 31 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	7.5804%	7.79%

