



DASHBOARD

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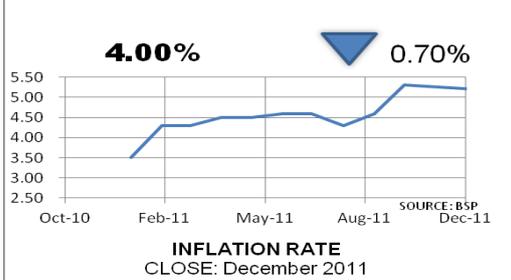
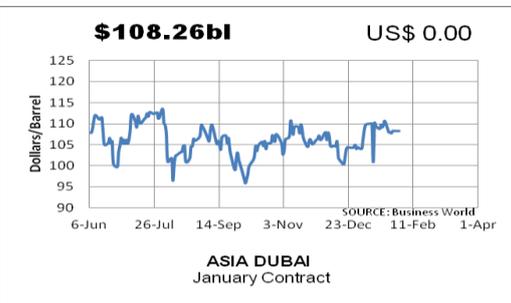
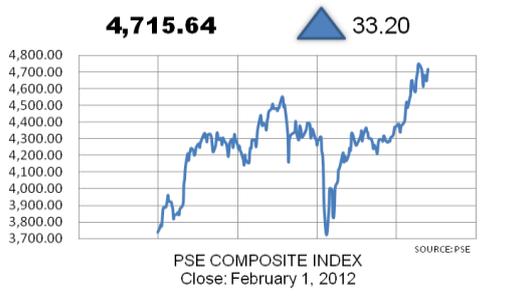
MACROECONOMIC SNAPSHOT

Philippines' growth seen to pick up in 2012

The Philippine economy will likely grow at a faster pace this 2012 from last year's anemic performance as the government's pump-priming could add to the momentum from private consumption and prospective export recovery, according to New York-based think tank Global Source. In a report titled "Nowhere to Go but Up?" written by Filipino economists Romeo Bernardo and Margarita Gonzales, Global Source said a 4.5-percent gross domestic product growth for this year remained achievable, "where surprises may even be on the upside." The commentary was issued after the government's announcement on Monday of a 3.7-percent full-year 2011 GDP growth. JP Morgan Chase & Co. agreed that with the help of a low interest rate environment, the Philippines would likely achieve a faster economic growth this year, possibly within the 4-percent territory. HSBC economist Trinh Nguyen added that while the government would likely "do what it can to boost growth," the Philippine economy would expand by only 3.6 percent this year. (Philippine Daily Inquirer)

Investments needed - IMF

The Philippines could top current growth estimates but more public infrastructure investments are needed to support any expansion in economic activity, a senior IMF official said. "Our estimate is that the Philippines, in [terms of] the medium-term growth potential targets [will be within target]... or will be even higher," said Anoop Singh, director of the IMF's Asia and Pacific department, in a press conference in Washington D.C. "But the main point I want to make is in order to raise potential growth in the Philippines, it needs more investments especially in public infrastructures," said Mr. Singh, who was conducting a briefing on the IMF's Asia-Pacific outlook. He did not provide updated estimates for the Philippines, which saw its economy grow by just 3.7% last year following 2010's record 7.6%. The Aquino administration, which has a 2011-2016 goal of 7.0-8.0%, is targeting a 5.0-6.0% expansion this year. (BusinessWorld)



	Wednesday, February 1 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%

FINANCIAL TRENDS

Positive sentiments to boost market; index near all-time

Local share prices closed higher yesterday lifted by positive sentiment that continues to push the main index towards Jan. 20 all-time high of 4,747.90. The main Philippine Stock Exchange index rose 33.20 point or 0.70 percent to close at 4,715.64. Gainers led losers 117 to 52 and 34 issues were unchanged. (The Philippine Star)

Uncertainty abroad weighs on peso trade

The peso slid against the dollar yesterday as investors purchased the greenback in the face of uncertainty from the euro zone. After gaining 20.5 centavos on Tuesday, the peso slid by seven-and-a-half centavos to settle at P42.945 to the dollar yesterday against its P42.87 close a day earlier. (BusinessWorld)

INDUSTRY BUZZ

A rousing 2011 for Chevrolet PH: sales up 36.4%

Just in its second year of becoming the exclusive importer and distributor of Chevrolet brand of vehicles, parts and accessories in the Philippines, The Covenant Car Company Inc. sold a total of 2,763 units from January to December 2011 period, translating to a 36.4-percent year-on-year sales growth. TCCCI attributed its consistent positive sales to the market's increased interest in Chevy brand of passenger cars including its new 5-door mini-hatch, the Chevrolet Spark and the award-winning compact sedan, the Chevrolet Cruze. (Philippine Daily Inquirer)

Kia Motors aims double-digit sales growth in Europe, US

South Korean carmaker Kia Motors Corp. said on Friday that it aims to lift vehicle sales in Europe and the United States by double digit percentages this year, despite an uncertain economic environment, and targets a 9.5% rise in global sales. The announcement came as the automaker reported that net profit for the October-December quarter fell 3.5% to 790.4 billion won (\$704.52 million) from a year earlier, well below a consensus forecast of 1.1 trillion won and pushing its shares down. Kia said it aimed to boost sales in Europe by 22.8% to 356,000 vehicles and US sales by 10% to 534,000 vehicles this year. (BusinessWorld)

Honda Entering Jet Market 2013

Honda Motor Co. expects to grab at least a quarter of the world market for small business jets soon after delivering its first aircraft next year, achieving the company's long-standing goal of taking to the skies, an executive said. Honda, Japan's No. 3 car maker and the world's biggest manufacturer of motorcycles and engines, is in the final stages of getting its \$4.5-million Honda Jet certified. It aims to ramp up the pace of production to 80 a year in the first half of 2013. Honda received more than 100 orders for the seven-seater jet in three days when it began taking orders in 2006, promising a quieter engine, 20 percent better fuel economy over competing models and operational costs of two-thirds or less. (Manila Bulletin)

