



# DASHBOARD

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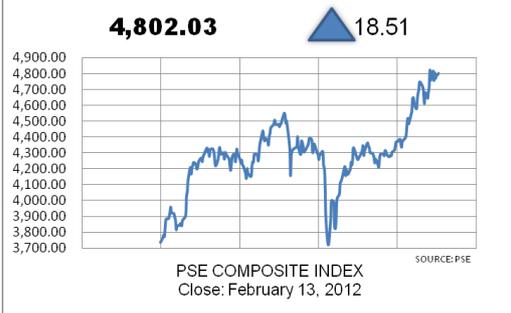
## MACROECONOMIC SNAPSHOT

### FDI declines 38.5% in November

Foreign direct investments (FDI) registered by the Bangko Sentral ng Pilipinas (BSP) for the first 11 months of 2011 amounted to net inflows of \$782 million, 38.5 percent lower year-on-year. FDI inflows cover equity capital, reinvested earnings and "other capital" or inter-company loans of foreign corporations or foreign investors with at least 10 percent ownership in a domestic firm or investment venture. For the 11-month period, equity capital from these FDIs declined 71.9 percent from \$477 million in 2011 to \$134 million. The BSP in a statement said the decline in FDI reflected the "weaker investor sentiment brought forth by the lingering Euro zone sovereign debt crisis even as the economy showed resilience amid a healthy external payments position and easing price pressures." (Manila Bulletin)

### BSP seen keeping rates till yearend

Goldman Sachs believes that the Bangko Sentral ng Pilipinas (BSP) would keep interest rates steady until the end of the year due to improved economic outlook in the US and improved debt situation in Europe. In its latest Asia Views, Goldman Sachs said the BSP would keep the overnight borrowing rate at 4.25 percent and the overnight lending rate at 6.25 percent until the end of the year. "We have had one 25-basis point rate cut already and we now drop our forecast for a second cut. We now expect BSP to keep rates on hold at 6.25 percent for the repo rate and 4.25 percent for the reverse repo rate for the rest of the year," it said. (The Philippine Star)



	Monday, February 13 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	7.6045%	7.79%

## FINANCIAL TRENDS

### Bourse moves back into 4,800 territory

Stocks started the week's trades by extending gains from last Friday, though their rise was capped by investor caution despite a crucial Greek parliamentary approval of an austerity bill on Sunday. The Philippine Stock Exchange index rose by 0.39% or 18.51 points to close at 4,802.03, climbing back above the 4,800 resistance level last seen on Feb. 8. The broader all-share index similarly increased 0.41% or 13.23 points to 3,255.23. (BusinessWorld)

### P/\$ rate closes at P42.44/\$1

The peso exchange rate closed higher at P42.44 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P42.48 last Friday. The weighted average rate depreciated to P42.61 from P42.347. Total volume amounted to P1.346.790 billion. (Manila Bulletin)

## INDUSTRY BUZZ

### CAMPI's January Sales Fall 20%

Motor vehicle sales in January fell 20 percent over December 2011 spooked by the remaining effect of the Thai flooding coupled by the seasonally-lower sales in the first month of the year, preliminary data from the Chamber of Automotive Manufacturers of the Philippines Inc. (CAMPI) showed. The preliminary data showed there were 8,296 units sold in the first month of the year, 20 percent lower than the December 2011 sales of 10,374 units and 24.9 percent lower than the 11,050 units sold in January 2011. Passenger car sales showed significant decline of 27.9 percent with January sales hitting only 2,214 units as against December sales of 3,072 units. Last month's sales also posted a staggering 44.5 percent decline over January 2011. (Manila Bulletin)

### Thailand 2011 floods affect Ford PHL sales

Auto maker Ford Group Philippines saw a 46-percent drop in January sales as deliveries of its top three models were affected by the flooding in Thailand late last year. Despite the poor start, FGP is optimistic the launch of three new models and the opening of 12 more dealerships this year will allow the company to sustain its strong 2011 performance when it became one of the fastest-growing automotive brands in the country. "Supply issues caused by the Thai floods caught up with us in January, but our showrooms remained very busy during the month and customer bookings continued to be strong. This helped reinforce our confidence in another strong full year ahead, which will be boosted by the launch of more segment-leading global One Ford vehicles," Randy Krieger, FGP President, said. (BusinessMirror)

### Japan's Mitsubishi posts turnaround

Japan's Mitsubishi Motors bared recently that cost cuts and a better product line up enabled it to reserve a year-before loss and post a net profit in the nine months to December. Mitsubishi reported a 13.6 billion yen (\$179 million) net profit for the April – December term, turning around a loss of 2.2 billion yen in the same period in 2010. Operating profit tripled to 38.5 billion yen. "The increase was made possible mainly due to improvements in the model mix, together with other factors such as reduction in materials and other costs," the company said in a statement. (Philippine Daily Inquirer)

