



DASHBOARD

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AVID Daily E- News

February 24, 2012

Volume 3 No. 14

MACROECONOMIC SNAPSHOT

Unemployment up – SWS

Adult unemployment has increased, the Social Weather Stations (SWS) said in a new report, with some four-fifths accounted for by people who resigned or were retrenched. The survey research institution said that based on a Dec. 3-7 survey last year, the proportion of adults without work had risen to 24% from 20.2% three months earlier -- equivalent to an estimated 9.7 million Filipinos. Of this number 10% were retrenched, 9% had quit and 5% were first-time jobseekers. The majority, or 7%, of those retrenched did not have their contracts renewed, 2% saw their employers close shop and the remaining 1% received pink slips. Malacañang pointed out that the SWS figures were not consistent with Labor Force Survey (LFS) data -- where some 2.1 million positions were found to have been. In explaining its survey, the SWS said it counted respondents who were at least 18 years old. It also uses the traditional definition of unemployment as comprising those not working and at the same time looking for work. Those not working and also not looking for a job -- housewives, the retired, students, etc. -- are excluded. (BusinessWorld)

Inflation to fall within 3-5% target - BSP

The Bangko Sentral ng Pilipinas is confident that average inflation would fall within the three-percent to five-percent target set by monetary authorities for this year and next year despite the soaring oil prices. BSP Deputy Governor Diwa Guinigundo said inflation would still fall within the central bank target despite the impact of higher oil price in the world market on the domestic pump prices of petroleum products. "While we must be concerned about oil prices should they rise further, and local pump prices of oil products have started to climb, we are confident inflation will remain within the target this year and the next of three percent to five percent," Guinigundo said. (The Philippine Star)

BSP loans, advances at P111.26B

The Bangko Sentral ng Pilipinas's (BSP) loans and advances both to banks and the government amounted to P111.26 billion as of the end of November 2011, a slight decline of one percent compared to the same period in 2010. The BSP loan portfolio is composed of rediscounting, emergency, overnight clearing line, and loans to the National Government and the Philippine Deposit Insurance Corp. BSP data show that loans and advances have remained steady and in the same level since the beginning of 2010 after it rose to almost P150 billion in 2009 when banks were taking out liquidity-enhancing loans in the wake of the early global economic and financial decline. (Manila Bulletin)

FINANCIAL TRENDS

Index slips on lack of market-moving news

Local share prices slipped in active trading yesterday, failing market expectations of touching the 5,000 mark on the main index. Philippine Stock Exchange index (PSEI) shed 40.81 points or 0.82 percent to close at 4,893.48. Over 21 billion shares valued at P10.08 billion were traded during Wednesday's morning and afternoon sessions. Losers outpaced winners 115 to 64, with 33 issues closing unchanged. (The Philippine Star)

P/\$ rate stands at P42.75/\$1

The peso exchange rate closed lower at P42.78 to the US dollar yesterday at the Philippine Dealing Exchange and Corp. (PDEX) from P42.62 the previous day. The weighted average rate appreciated to P42.772. Total volume amounted to \$1.263.8 billion. (Manila Bulletin)

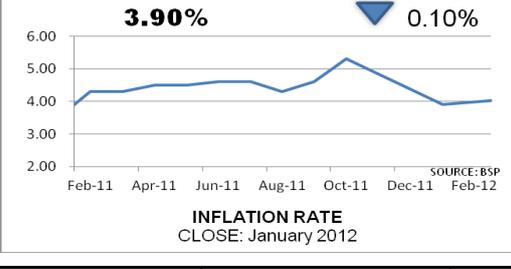
INDUSTRY BUZZ

China's Geely turns to Egypt

Geely and an Egyptian car-assembly company said Wednesday they plan to start assembling Geely cars this year for sale across North Africa. The Chinese auto maker and Egypt's GB Auto SAE plan to produce up to 30,000 cars annually in a few years and eventually hit 50,000 cars a year, a person close to Geely said. China's economy, while still strong, is well off the 10% annual growth rate that marked recent years. Vehicle sales rose 2.5% last year after logging growth above 30% each of the previous two years. That has spurred China's auto makers to shift excess production capacity toward exports. But skepticism over the quality of Chinese vehicles and stringent regulations have made the U.S. and Western Europe difficult markets to crack. (The Wall Street Journal)

Honda Europe sees profit in 2013-14

Despite two straight years of losses and a market share of just over 1%, Honda Europe President Manabu Nishimae said the car maker had no plans to exit what is regarded as a fiercely competitive market crowded by competitors offering margin-eroding incentives to chase declining volumes. "The European car market is all about high technology and beautiful design, both for the exterior and interior. So, our reputation among European customers affects demand in other regions," he said. (BusinessWorld)



	Thursday, February 23 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	7.7705%	7.79%

