



DASHBOARD

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AVID Daily E- News

March 20, 2012

Volume 3 No. 30

MACROECONOMIC SNAPSHOT

Foreign investment pledges surge 249%

Investment commitments from foreign investors surged 249 percent in February this year to P3.22 billion from only P924 million during the same month last year, boosted largely by sustained confidence in the Philippine economy. In a statement issued Friday, the Board of Investments said Thailand ranked highest among the Philippines' top investors for February with investments amounting to P2.2 billion, followed by Japan with pledges amounting to P703 million and different nationalities including Taiwanese and Americans with a combined P182 million. "Our February figures show more jobs for every peso of investments. The projects are expected to generate 3,250 jobs once operational, an increase of 24 percent compared to 2,335 projected jobs for February 2011 approvals," said Adrian Cristobal Jr., trade undersecretary and Bol managing head. (Philippine Daily Inquirer)

BSP seen keeping rates steady at record lows

Societe Generale SA of Hong Kong and British banking giant HongKong and Shanghai Banking Corp. (HSBC) said they expect the Bangko Sentral ng Pilipinas (BSP) to adopt a wait-and-see mode after a series of interest rate cuts to support domestic growth. Wee-Khooon Chong, a strategist at Societe Generale, said the BSP's Monetary Board would opt for a wait-and-see stance during its next policy rate-setting meeting scheduled next month. "The next meeting will be on April 19 and status quo is expected. April should see another round indirect easing on the back of the new non-remuneration unified reserve requirement," Chong stressed. As part of the changes in its reserve requirement policy, the central bank decided to slash the bank reserve requirement ratio to 18% from the current level of 21% starting April 6. The move would offset the higher operational costs of banks and would free up to P100 billion worth of funds to the financial system. (The Philippine Star)

World recovering but risks remain

"The global economy may be on a path to recovery, but there is not a great deal of room for maneuver and no room for policy mistakes," International Monetary Fund (IMF) Managing Director, Christine Lagarde, said. In a separate talk on the same day, Ms. Lagarde said that China's yuan could become a reserve currency in the future, adding that the country needed a roadmap for a stronger, more flexible exchange rate system. She said signs of stabilization were emerging to show that policy actions taken in the wake of the global financial crisis were paying off, that US economic indicators were looking a little more upbeat and that Europe had taken an important step forward in solving its crisis with the latest efforts on Greece. (BusinessWorld)

FINANCIAL TRENDS

Stocks down on profit taking

The local stocks index faltered yesterday as investors took a respite after last week's dizzying climb to new heights. The Philippine stock Exchange index gave up 18.89 points or 0.37 percent to close at 5,127. "This is simply a reflexive pullback," said First Metro asset Management President Gus Cosio. "Stock prices will be surging again after few days. (Philippine Daily Inquirer)

Peso snaps six-day decline

Profit taking and the US inflation data for February yesterday snapped the peso's six-day decline against the dollar. After losing five-and-a-half centavos last Friday, the peso strengthened by 17.5 centavos to close at P42.89 per dollar against its P43.065-per-dollar close the previous trading day. (BusinessWorld)

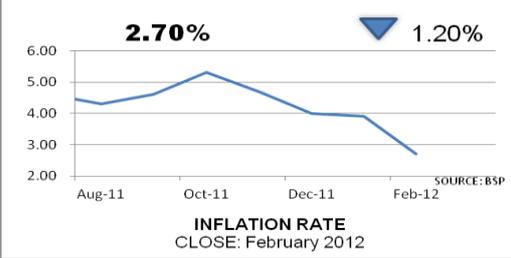
INDUSTRY BUZZ

Volvo presents all new V40

Volvo Philippines announced the reveal of the all-new Volvo V40 at a press conference at the 2012 Geneva Motor Show, March 6 – looking ready to overtake the completion in the premium hatchback class with sharpened features and characteristics from larger Volvo wrapped in a sleek, compact package. "The all new V40 is the first new model that is fully developed according to our human centric 'Designed Around You' strategy. Charged with an outstanding set of high tech features, it will definitely give out toughest competitors a headache," said Stefan Jacoby, CEO of Volvo Car Corporation. (Manila Bulletin)

Geely LC gets top rating in China

Geely said its LC minicar has recently received a four-star rating from the China New Car Assessment Program compact test with a 45.3 rating. Geely explained that this makes the LC the safest minicar in China. Geely said the LC's safety features include six airbags, side air curtains, pre-tensioned safety belt for the driver and passengers, and four-way ABS with EBD. The car also has a rear windscreen wiper and defroster, reversing radar, over-speed warning, safety belt warning, door ajar warning, anti-theft steering lock and rear door children safety lock, among other features. (The Manila Times)



	Monday, March 19 2012	Year ago
Overnight Lending, RP	6.00%	6.50%
Overnight Borrowing, RRP	4.00%	4.50%
91 day T Bill Rates	2.148%	3.85%
Lending Rates	7.7871%	7.79%

