



DASHBOARD

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MACROECONOMIC SNAPSHOT

Phl confident of credit rating upgrade

Bangko Sentral ng Pilipinas is confident that the Philippines would soon get a credit rating upgrade from international credit rating agencies led by Standard & Poor's (S&P) on the back of the country's strong macroeconomic fundamentals. BSP Governor Amando Tetangco Jr. said the country would likely get an upgrade in its credit rating as the country's domestic output is expected to rebound strongly this year. "We are even more optimistic now that we will get an upgrade sooner than later," Tetangco said in an interview. He cited the expected economic rebound due to improving consumption on the back of higher government spending with the public private partnership scheme as well as the improvement in global economic conditions. (The Philippine Star)

Jeepney fares up as oil firms again hike pump prices

Jeepney fares will go up by 50 centavos starting Wednesday, prompted by continuing fuel price hikes of which another was implemented Tuesday. Fares in Metro Manila and other regions where petitions were filed will provisionally increase to P8.50 for the first four kilometers, the LTFR announced. "There will be no increase in succeeding kilometers," the agency's chairman, Jaime D. Jacob, said in a text message. The fare hike will remain in effect as long as diesel prices stay above P45 per liter, a situation that was supported by Tuesday's 60-centavo per liter increase that pushed the average to P47.90. A larger 70-centavo hike for premium gasoline, meanwhile, pushed the fuel's cost to an average of P57.15/liter. (BusinessWorld)

BSP says jeepney fare hike won't affect inflation rate

Monetary authorities are confident inflation will not exceed the 3-percent to 5-percent target this year even with the approval of the P.50-centavo fare hike for jeepneys. BSP Governor Amando M. Tetangco Jr. said on Tuesday the fare adjustment was not going to change the forecast inflation seen averaging 3.1 percent this year or at the low end of the target ranging from 3-percent up to 5-percent. Tetangco said the adjustment was "within the assumed level" anticipated by the economic cluster. "We factored an adjustment of 50 centavos," he said in ruling out an adverse impact of the transport fare hike on inflation. He previously told reporters the price of oil was a far more serious concern although oil price increases have similarly proven benign. (BusinessMirror)

FINANCIAL TRENDS

Phl stocks dip amid China growth worries

The local stock barometer extended losses for the third straight session as more investors lightened their position after US stocks mostly declined overnight. The main-share Philippine Stock Exchange index lost 64.3 points, or 1.26 percent, to finish at 5,037.94. Investors also took their cue from jittery trading in Wall Street overnight as global mining giant BHP Billiton reported "flattening" iron-ore demand from China, the world's top metals consumer, weighing down on US commodities and energy stocks. (Philippine Daily Inquirer)

P/\$ rate closes at P43.04\$1

The peso exchange rate closed slightly higher at P43.04 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P43.07 the previous day. The weighted average rate depreciated to P43.025 from P42.925. Total volume amounted to \$1.100.57 billion. (Manila Bulletin)

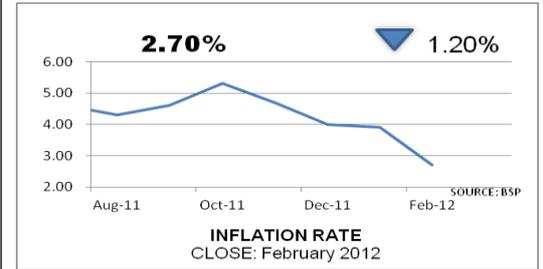
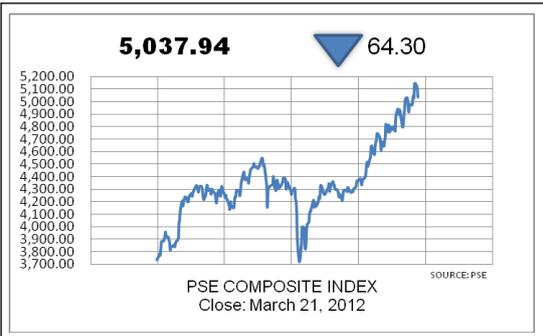
INDUSTRY BUZZ

Mitsubishi posts 1.5% sales growth in February

Mitsubishi Motors Philippines Corp. posted a 19 percent sales growth in February from January and a modest growth of 1.5 percent in the first two months of the year driven by strong sales of Light Commercial Vehicles. MMPC sold 2,751 units in February and 5,062 units in the first two months of the year. MMPC said LCV sales in February rose 19.1 percent in February with 2,591 units sold. In the same period last year, its LCV sales grew only by 5.1 percent. Sales of the Montero Sport mid-size SUV rose 25.6 percent in February from January with 951 units sold. Sales of the Strada double pick-up rose 31.2 percent in February from January with 446 units sold. Sales of locally-manufactured L300 and Adventure vans also increased by eight percent and 3.6 percent, respectively. MMPC said these models appeal to the market because of practicality and dependability. (The Philippine Star)

Kia reports Feb. sales

Kia Motors Corp. earlier this month announced its global sales figures for February 2012, recording a total of 205,876 units sold. The figure represents a year-on-year increase of 21.3%. In February, Kia posted year-on-year sales increases in all regions — 41.8% in China (38,007 units sold); 35.5% in North America (49,682 units sold); 30.6% in Europe (38,703); 5.0% in general markets (39,472 units sold); and 2.5% in Korea (40,012 units sold). Cumulatively, through the first two months of 2012, Kia's global sales have increased by 12% year-on-year to reach 391,160 units. (BusinessWorld)



	Wednesday, March 21 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	7.8419%	7.79%

