



DASHBOARD

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MACROECONOMIC SNAPSHOT

Phl poised for faster growth - BSP

BSP Governor Amando Tetangco Jr. said the Philippines is poised for a faster economic growth this year on the back of the emerging economic recovery in the US and the resolution of the debt crisis in Europe. Tetangco told reporters on the sidelines of the 2012 Convention of the Chamber of Thrift Banks that the two most recent external developments point to a stronger and faster gross domestic product expansion for the Philippines this year. "While the global economy continues to grapple with the adverse impact of the debt crisis in Europe and slower growth in developed countries, the Philippines continues to generate good macro-economic numbers," he said. The BSP chief pointed out that the country's export sector would benefit from the signs of recovery in the US economy with the release of favorable economic data. (The Philippine Star)

Government posted January deficit despite higher tax take

Despite its claim of improvements in revenue generation, the Aquino administration had a higher deficit in January, a Department of Finance press release said. "In total, the government collected P126.354 billion in revenues against P142.297 billion worth of expenditures." The BIR collected P85.147 billion in January as against the P74.569 billion it collected for the same month last year. "Breaking down the figure, the bureau, which ended 2011 with double-digit growth, had bulk of its collections in cash totaling P85.115 billion. The BIR's total January collection was at 97.55 percent of its P87.282-billion target that month." (BusinessMirror)

Gov't eyes local, not foreign, lenders

The government may tap the domestic capital market to raise a portion of the \$750 million it originally planned to borrow offshore, as officials cited the high liquidity and low interest rates prevailing in the Philippines. According to the original 2012 borrowing program set by the Department of Finance, the government was supposed to borrow \$2.25 billion from the foreign capital market this year to help fund its expenditure requirements, which include higher spending for social services and infrastructure. The amount represents 25 percent of the government's supposed borrowing program for the year. The bulk of 75 percent was meant to be raised domestically. Nonetheless, benign interest rates in the country and the domestic capital market's huge resources currently have prompted finance officials to consider increasing the share of domestic borrowings in relation to foreign loans. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Local share prices rebound from 3-day slump

Local share prices rebounded from a three-day slump yesterday, but more issues closed lower as the market consolidated from last week's highs. The PSEi advanced by 5.58 points or 0.11 percent to close at 5,043.52. A total of 2.61 billion shares valued at P6.33 billion were traded. Decliners outpaced gainers 89 to 85, with 39 issues closing unchanged. (The Philippine Star)

Peso joins slide in region amid risk aversion

The peso slid against the dollar yesterday, in step with many of its regional counterparts, as data signalling weakening factory activity in China stoked risk aversion among investors. After gaining a mere three centavos last Wednesday, the local currency shed two centavos to settle at P43.06 to the dollar yesterday against its P43.04 close the day before. (BusinessWorld)

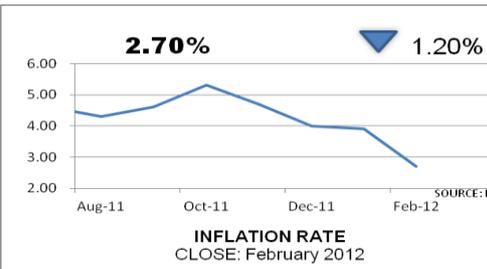
INDUSTRY BUZZ

Mitsubishi posts 1.5% sales growth in February

Japanese auto makers are reaching back—way back—to add a patina of past glory to some of their newest products. Take Nissan Motor Co., when Japan's No. 2 auto producer announced a new line of vehicles targeting fast-growing emerging markets. The choice made Nissan just the latest Japanese auto maker to tap its heritage for a new product. This back-to-the-future movement comes as the country's auto sector—until recently a world leader—has lost some momentum to American and European competitors. Toyota Motor Corp., Honda Motor Co. and Mitsubishi Motors Corp. in recent months have ushered in new cars with names dripping in nostalgia. Marketing experts say the moves make sense in an era when creating a product identity from scratch is costly and fraught with the risk of rejection by consumers. (The Wall Street Journal)

Hyundai Motor CEO says new Sonata planned in 2014

Hyundai Motor plans to launch a revamped version of its flagship Sonata sedan in 2014, its first upgrade in more than four years, its chief executive said Wednesday, as the company grapples with increasing foreign competition in its home market. Hyundai has only one new model planned for a global launch this year. It started taking pre-orders Wednesday for the new Santa Fe sports utility vehicle, which will be unveiled in April. The latest version of the Sonata was launched in September 2009 in South Korea and early 2010 in the United States. (BusinessWorld)



	Thursday, March 22 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%

