



MACROECONOMIC SNAPSHOT

Gov't plans to release bulk of this year's budget in H1

The Aquino administration is eyeing to release bulk of this year's budget in the first half of the year as part of efforts to boost spending. Budget and Management Secretary Florencio Abad said the releases in the first half of the year would significantly be higher than releases in the second semester. This, he said, would help agencies take advantage of the good weather to roll out infrastructure projects. "In contrast to our previous year's performance, we're determined to make the bulk of our releases within the first semester of this fiscal year. This way, government agencies can take advantage of the good weather in the coming months for rolling out their projects, ahead of the opening of classes and the rainy season," Abad said. (The Philippine Star)

Growth expected to slow

Increased government spending and the rollout of infrastructure projects could provide a boost but for now UK-based Standard Chartered Bank is keeping its outlook of slower Philippine growth this year. "For now, our growth outlook for the country has not changed ... too much of what would happen externally would affect the growth of the country," said Mahendra Gursahani, chief executive officer and consumer banking head of Standard Chartered in the Philippines, in an interview. Last December, Standard Chartered forecast gross domestic product (GDP) growth of 3.2% for 2012, rising to 5.3% next year and easing to 5% in 2014. The bank's 2012 outlook, which compares to the government's 5-6% GDP target, is lower than 2011's below expectations 3.7%, which was due to government underspending and a slowdown in merchandise exports. (BusinessWorld)

Filipinos 2nd largest Asian group in US, census shows

Filipinos are now the second largest Asian group in the United States, according to the latest census bureau report. The number of Americans who have identified themselves as Filipino, either alone or in combination with another race, totalled 3.4 million, the report showed. The total number is believed to be much higher than the census count. There are an estimated one million undocumented Filipinos in the United States. Chinese-Americans make up the largest Asian group, with more than 4 million. Those from the Indian subcontinent are the third largest, with 3.2 million. Other significantly large Asian groups include the Vietnamese, with 1.7 million; Koreans, with 1.7 million, and the Japanese, with 1.3 million. The report also showed that Asians were the fastest growing population, increasing nearly 46 percent over the last decade. Their number increased to more than 17 million from 2000 to 2010. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Wall Street gains boost local share prices

Local share prices closed higher in active trading yesterday, encouraged by overnight gains on Wall Street and the aggressive approach by the government to pump-prime the economy. The PSEi gained 48.47 points or 0.96 percent to close at 5,078.10. A total of 2.42 billion shares valued at P7.06 billion were traded during the morning and afternoon sessions. (The Philippine Star)

P/\$ rate closes at P42.915/\$1

The peso exchange rate closed higher at P42.915 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P43.06 the previous day. The weighted average rate appreciated to P42.942 from P42.976. Total volume amounted to \$812.18 million. (Manila Bulletin)

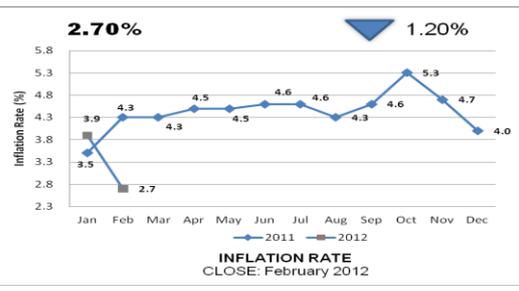
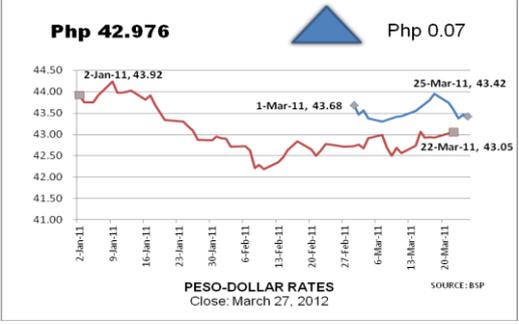
INDUSTRY BUZZ

Electric cars risk losing green sheen in Japan

Electric car owners who prided themselves on being green now find themselves in a bind as Japan's government maneuvers to restart dozens of nuclear power plants idled after last year's meltdowns. For decades, nuclear generation has been a crucial source of power here, but the tsunami-triggered meltdowns at the Fukushima Dai-ichi plant have spurred a national debate over how to supply Japan's electricity in the future. Long touted as a clean, zero-emission alternative to vehicles powered by dirty fossil fuels, electric cars are now at risk of being tainted by their association with nuclear. (The Philippine Star)

BMW Group targets another record year in 2012

The BMW Group is confident about the current financial year after a record year in 2011. "We are targeting new highs in sales volume and pre-tax earnings for 2012", stated Norbert Reithofer, Chairman of the Board of Management of BMW AG at the Annual Accounts Press Conference in Munich on Tuesday. The Automotive segment remains on course to achieve an EBIT margin of between eight and ten percent, in line with our long-term profitability targets. Provided that the global economic climate does not take a turn for the worse, the BMW Group forecasts an EBIT margin in 2012 for the Automotive segment at the upper end of this corridor. (Malaya Business Insight)



	Tuesday, March 27 2012	Last Week	Year ago
Overnight Lending, RP	6.00%	6.00%	6.50%
Overnight Borrowing, RRP	4.00%	4.00%	4.50%
91 day T Bill Rates	2.15%	2.15%	3.85%
Lending Rates	7.84%	7.79%	7.79%

