



DASHBOARD

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MACROECONOMIC SNAPSHOT

January gov't borrowings reach P82B

The government borrowed a total of P82.01 billion from foreign and local investors in the first month of the year amid the Aquino administration's efforts to boost the economy through increased public spending, data from Department of Finance showed. Data showed the government's January borrowing grew more than twofold compared with P25.25 billion it incurred in the same month last year. The higher borrowings have been earmarked for several infrastructure projects that include national roads, bridges, airports as well as seaports in line with the plan to frontload most of its budget this early to optimize spending during the second half of the year. (Manila Bulletin)

OFW families investing more - BSP survey

More beneficiaries of overseas Filipino workers (OFWs) are shifting to investments and savings but at the same time are keen on undertaking major purchases such as the acquisition of houses and motor vehicles, a ranking official of the Bangko Sentral ng Pilipinas (BSP) said. BSP assistant governor Cyd Tuano-Amador said the central bank's first quarter 2012 Consumer Expectations Survey (CES) showed that the percentage of households with family members abroad that allocated portions of their remittances to investments increased to 8.5 percent in the first quarter of the year from 6.4 percent in the fourth quarter of last year. Amador said the percentage of households that allocated portions of their remittances to savings was steady at 42.7 percent in the first quarter of the year from 42.6 percent in the fourth quarter. (The Philippine Star)

Gov't finances improve in January

The government's financing position in January showed a net payment of P2.4 billion—about 30 times smaller than the P64.7 billion recorded in the same month last year, according to the Bureau of the Treasury (BTr). The issuance of global bonds, which translated to P66 billion in new borrowings, accounted for bulk of the debt incurred in January. That same month, government financing showed a net outflow resulting from P82 billion in new foreign borrowings and P84.43 billion in payments to lenders. The government's financing position in January was an improvement from the net outflow of payments recorded in the same month of 2011, which covered P25.25 billion in fresh funds and P89.86 billion in payments to lenders. ((Philippine Daily Inquirer)

FINANCIAL TRENDS

Stock trading to slow during Holy Week

Trading this week is expected to be lethargic in view of the upcoming Lenten break. It could be a marked change from last week, which saw the Philippine Stock Exchange index rise by 1.30% to 5,107.73 from 5,042.44 the previous week. The broader all-share index also jumped, adding 1.39% to 3,458.73 versus 3,411.32. The local stock market strongly ended the first quarter with a 16.83% year-to-date gain even though optimistic leads from the global standpoint were lacking," said Gregg Adrian R. Ilag, analyst of brokerage AB Capital Securities, Inc. (BusinessWorld)

P/\$ rate stands at P42.92/\$1

The peso exchange rate stands at P42.92 to the US dollar, the closing rate last Friday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P42.934. (Manila Bulletin)

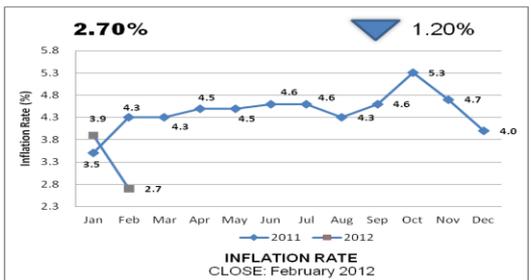
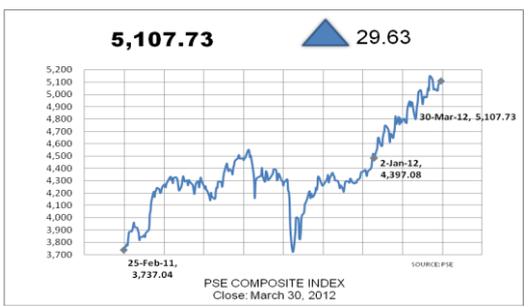
INDUSTRY BUZZ

Ford expects second semester bounce back

Ford Group Philippines expects to bounce back in the second half of this year from a sales dip caused by floods in Thailand, even projecting a better performance than the record-high levels seen in 2011. "We expect a pickup in sales after the end of the second quarter ... We can achieve slightly higher sales than last year," Edward R. Krieger, Ford Group Philippines president last week said. The local arm of American car giant Ford Motor Co. ended 2011 on a high. December sales rose by a quarter, while the full-year tally jumped by half to a high of 9,778 units. Mr. Krieger estimated that operations could normalize beginning June, setting the foundation for a rebound in the second semester. "We will bounce back from June until the end of the year, especially in the 'ber' months," he said. "With all the new models lined up for this year, we think it will drive a lot of interest from consumers," he added. (BusinessWorld)

Honda cars announces voluntary recall

Honda Cars Philippines, Inc. announces a voluntary safety recall of some Honda CR-V models to replace the specific affected parts of the Lighting Switch Assembly with countermeasure parts. With its thrust in making certain that customer safety is held at the utmost priority and as part of Honda's company principle on worldwide customer satisfaction, HCPI is carrying out a proactive market action through the conduct of a Voluntary Safety Recall. This action is in accordance to Honda's own standard even if there is no specific law in the Philippines that requires such an action. (BusinessMirror)



	Friday, March 30 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	7.85%	7.84%	7.79%

