



DASHBOARD

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MACROECONOMIC SNAPSHOT

February remittances up 5.8% at \$1.59B

Remittances grew at a slightly faster pace in February as global demand for Filipino workers remained robust, the Bangko Sentral ng Pilipinas reported Monday. Money sent home by Filipinos based offshore amounted to \$1.59 billion in February, up 5.8 percent from \$1.5 billion in the same month last year, documents from the BSP showed. The year-on-year increase in remittances in February accelerated from the 5.4 percent recorded in January. Remittances in February brought the total for the first two months of the year to \$3.14 billion, up 5.6 percent from \$2.98 billion in the same period last year. "The continued inflow of remittances is supported by the sustained demand for Filipino manpower in various foreign labor markets," BSP Governor Amando Tetangco Jr. said in a statement. The BSP said the top 10 sources of remittances for February were the United States, Canada, Saudi Arabia, Japan, the United Kingdom, Singapore, the United Arab Emirates, Italy, Germany and Hong Kong. (Philippine Daily Inquirer)

P10.4-B Investments fled in 2011

The mining industry suffered a P10.4-billion foreign direct investment outflow last year due to the suspended issuance of mining permits by the Department of Environment and Natural Resource for more than a year and uncertainties in the mining policy that will have shaped the industry's development under the Aquino administration. The Chamber of Mines of the Philippines (CMP) said foreign investors opted to place their capital elsewhere instead of parking their money in the banks. Citing data from the Bangko Sentral ng Pilipinas, it added that figures would show that there was a "mining FDI outflow" of \$240.43 million or P10.4 billion in 2011, a reversal of the \$282.08 million or P12.2 billion that came in during the previous year. "Companies that are going on exploration activities have stalled, as their permits have not been acted upon. Those with existing contracts have been on a wait-and-see mode for the issuance of the mining policy that may affect their future operations. Most of the investors would rather see the final policy out before moving their projects forward," CMP said. (BusinessMirror)

Business upbeat, expects 7% growth

Businessmen expect the domestic economy to post 7 percent GDP growth this year if all the government projects and reforms get implemented. Atty. Miguel Varela, president of the Philippine Chamber of Commerce and Industry (PCCI), said this as noted that economic indicators in the first months of the year point to a good first quarter growth. "All indicators like exports, FDI inflows, fiscal deficit, consumer sentiment all point to a good first quarter results," Varela said. The government, however, has yet to release the first quarter results, but Varela was confident the economy grew between 5 to 6 percent in the first three months of the year. He said the good governance policy of the Aquino administration boils down to the overall confidence of the business community. (Manila Bulletin)

FINANCIAL TRENDS

Stocks reach new high amid buying spree

Stocks extended gains for the fourth consecutive session and closed at a fresh record high on Tuesday as investors went on a buying spree, buoyed by Dow Jones that rose overnight on bullish sentiment. The Philippine Stock Exchange index (PSEi) rose by 0.78% or 39.82 points to close at 5,157.28, a new all-time high. The broader all-share index climbed by 0.23% or 7.73 points to 3,420.91. (BusinessWorld)

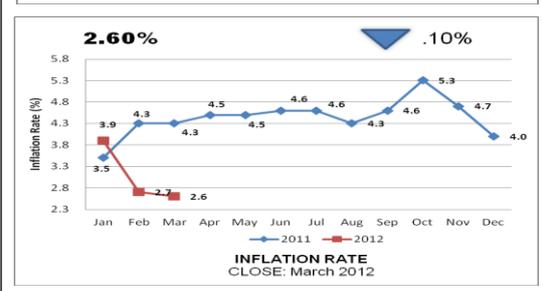
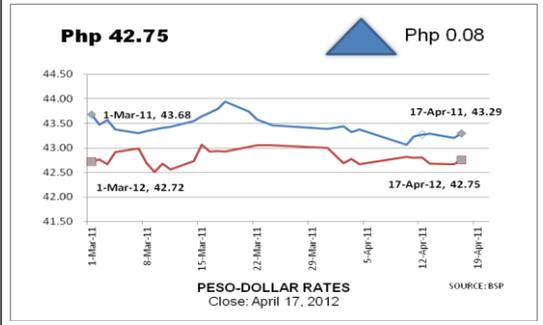
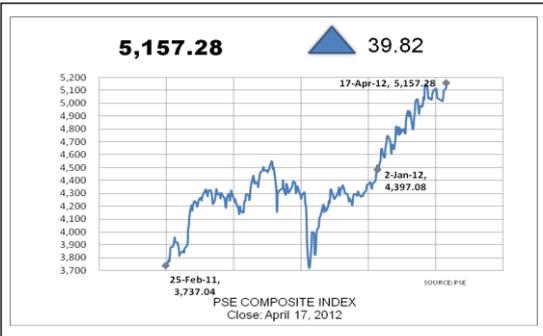
P/\$ Rate stands At P42.66/\$1

The peso exchange rate closed lower at P42.66 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P42.775 the previous day. The weighted average rate depreciated to P42.708 from P42.753. Total volume amounted to \$984.35 million. (Manila Bulletin)

INDUSTRY BUZZ

India carmakers forecast sales spike over lower interest

India's car industry forecasted last week that sales would grow 10 percent to 12 percent this year as expected interest rate cuts lure buyers back into showrooms—up from just 2 percent last year. The forecast by the Society of Indian Automobile Manufacturers (SIAM) came as passenger car sales raced ahead in March by 19.66 percent from a year earlier, marking the fifth-straight monthly increase. But sales growth slowed to 2.19 percent for the full year to March 31, well down from a scorching 29 percent rise the previous financial year. The low growth, the slowest in three years, reflected a weak first few months as climbing fuel prices and high interest rates that pushed up loan costs deterred buyers. Sales for 2011 to 2012 totaled 2.02 million cars in the emerging market giant, which has a population of 1.2 billion people. Vishnu Mathur, director general of SIAM, said the car market should revive this year with the central bank expected to start rolling back its aggressive string of rate hikes as inflation eases. "The number of car owners is still pathetically low in India—there is huge scope for the auto industry," Mathur told reporters in New Delhi. (The Manila Times)



	Tuesday, April 17 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	7.94%	7.91%	7.79%

