



DASHBOARD

Changing News. Your Guide.

AVID Daily E- News

April 24, 2012

Volume 3 No. 49

MACROECONOMIC SNAPSHOT

ODA growth to slow to 2 percent till 2013

Due to fiscal consolidation measures being implemented in many donor countries, global official development assistance (ODA) growth is expected to slow to an average of 2 percent until 2013, according to a recently released report by the International Monetary Fund and the World Bank. In the Global Monitoring Report 2012, titled "Food Prices, Nutrition and the Millennium Development Goals (MDGs)," the IMF and World Bank said the slowdown in ODA extended to developing and least developed countries could delay or cause the failure to achieve some MDGs. The IMF-World Bank report said the MDGs that could be most affected by the slowdown include those closely linked to food and nutrition, particularly Maternal Mortality or Goal 5, and child mortality or Goal 4. Currently, 105 of the 144 monitored countries are not expected to reach MDG 4, and 94 are off-track on MDG 5. (BusinessMirror)

More new jobs filled in late 2011

The number of jobs filled in Metro Manila's top enterprises continued to grow, albeit at a slower pace, in the fourth quarter of 2011. The rate of hiring also outpaced the rate of job loss, according to data from the Bureau of Labor and Employment Statistics. In its report, the agency said that for every 1,000 enterprise workers in the National Capital Region, 104 new hires were added, while 85 had quit or had been fired. Job growth peaked in the sector of real estate, renting and business activities, while job loss was highest in mining and quarrying. The same situation had been recorded in the previous quarter. The rate of growth in employment, or labor turnover, settled at a net of 1.88 percent. This means that 19 new workers had been added for every 1,000. The hiring rate was recorded at 10.38 percent while separation rate stood at 8.5 percent. (Philippine Daily Inquirer)

Banks have room for more rate cuts

Banks have room to lower their rates, with the pass-through rate from the last two rate adjustments of the Bangko Sentral ng Pilipinas (BSP) reaching only 75 percent. The 75 percent pass through rate means banks have reduced their lending rates by 35 basis points following the 50 basis points cut made by the BSP in January and March. To fully achieve the desired level of demand that monetary authorities intended to spur with the last two rate cuts, banks may have to cut their rates further. This would fully achieve the goal of the BSP to make loans cheaper and spur the public's demand for loans. Higher loans, in turn, would help spur economic growth, as it would translate to increased economic activities. (The Philippine Star)

FINANCIAL TRENDS

Philippine stocks gain modestly on selective buying

The local stock index opened the week in positive territory, gaining modestly on the back of selective buying. The main-share Philippine Stock Exchange index gained 6.63 points, or 0.13 percent, to close at 5,163.09. Despite the overall index gain, the broader market closed lower. As such, there were only 66 advancers, which were edged out by 88 decliners while 51 stocks were unchanged. Value turnover amounted to P5 billion. (Philippine Daily Inquirer)

Peso slides on worrisome euro zone data

After strengthening against the dollar for four straight trading sessions, the local unit shed eight centavos to settle at P42.685 per dollar against its P42.605- per-dollar close last Friday. "Weak economic data from the euro zone caused a risk off sentiment among market players, causing them to sell their risky assets," a trader said. (BusinessWorld)

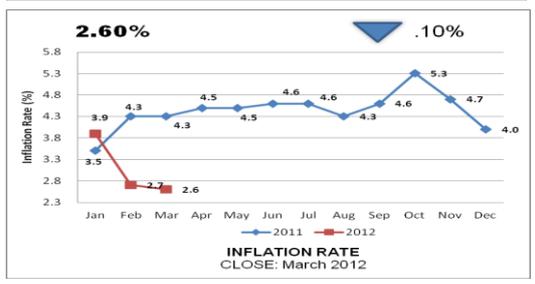
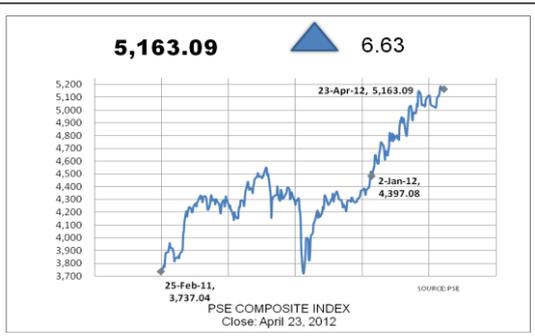
INDUSTRY BUZZ

AVID reports 38% rise in vehicle sales

The Association of Vehicle Importers and Distributors Inc. (AVID) reported a 38-percent growth in vehicle sales to 8,298 units in the first quarter of 2012 from 6,034 units a year ago. In a report, AVID said the passenger car segment "greatly contributed" to the increase in total sales. Member companies' sales of passenger cars surged by 95 percent to 5,202 units in the first three months from only 2,674 units in the same period last year. For March alone, vehicle sales of AVID members grew by 31 percent to 2,791 units from 2,123 units sold in the same month in 2011. The March performance was driven by the 99-percent hike in passenger car sales to 1,621 units from only 813 units a year ago. (Philippine Daily Inquirer)

Honda allots hybrid tech to Chinese firms

Honda Motor will provide its core hybrid car technologies to a number of Chinese automakers, eyeing to boost sales in the world's largest car market, a report said yesterday. As Honda's sales in China have long been sluggish, it aims to achieve a turnaround by aggressively pushing its hybrid vehicle technologies, the Japanese business daily Nikkei reported. "We hope that other automakers will use our IMA technologies," one Honda executive told the business daily, referring to Honda's hybrid system. (BusinessWorld)



	Monday, April 23 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	7.93%	7.94%	7.79%

