



DASHBOARD

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MACROECONOMIC SNAPSHOT

Q1 GDP expansion projected 5%

The country's gross domestic product (GDP) is projected to grow by five percent in the first quarter of the year, according to FMIC and UA&P market research. The forecast was based on the positive indicators such as an 8.3% growth in Meralco electricity sales in the first two months of 2012, the creation of 1.1 million jobs in January and a low inflation rate of 2.7 percent in more than two years. FMIC and UA&P noted that the government has started the year running with a fiscal deficit of P15.9 billion, despite a strong 12.5% increase in tax revenues, while exports in January expanded by 4%, the first positive growth figure after 8 months of decline. (Manila Bulletin)

BSP says Q1 growth to determine policy stance

Monetary authorities are expected to closely watch how the economy fared in the first quarter of the year to determine the policy stance to be taken by the Bangko Sentral ng Pilipinas (BSP). BSP Governor Amando Tetangco Jr. said in an interview with reporters that the Monetary Board would determine its next policy action depending on the gross domestic product (GDP) growth that would be announced by the National Statistical Coordination Board (NSCB) sometime in May. "It would be interesting to see the growth rate in the first quarter which would be (released) in May," Tetangco stressed. Earlier, Socioeconomic Planning secretary Cayetano Paderangga Jr. said the country's GDP in the first quarter of the year likely grew faster than the 3.7 percent booked last year and the 4.6 percent growth registered in the first quarter of 2011. (The Philippine Star)

FINANCIAL TRENDS

PSEi hits new high on profits, mining

Stocks closed higher for the third consecutive trading session and ended at a fresh record high on Wednesday, driven by robust corporate earnings at home and abroad, as well as excitement over the likely larger natural gas reserves at the Reed Bank. The Philippine Stock Exchange index (PSEi) rose by 0.68% or 35.24 points to close at 5,204.84. The broader all-share index added 0.92% or 31.49 points to 3,472.24. (BusinessWorld)

Peso rises over reports of rising US housing prices

The peso inched up on Wednesday as reports of favorable US housing data improved investor sentiment. The local currency closed at 42.675 against the US dollar, up by 1.5 centavos from the previous day's finish of 42.69:\$1. Intraday high hit 42.635:\$1, while intraday low settled at 42.69:\$1. Volume of trade amounted to \$631.5 million from \$893.25 million previously. (Philippine Daily Inquirer)

INDUSTRY BUZZ

China ramps up auto exports

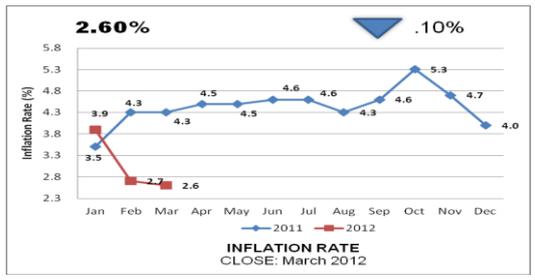
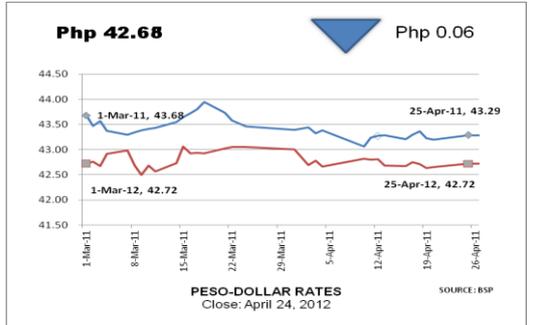
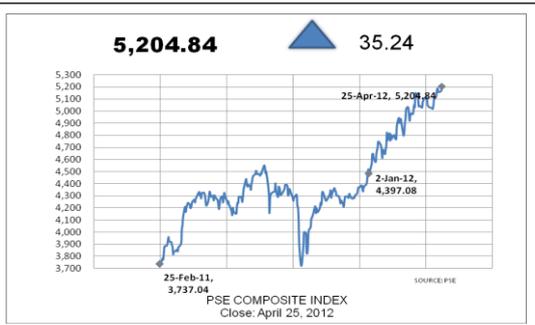
China's auto factories are stepping up still-tiny exports as domestic growth slows, raising the stakes in global auto markets by heightening competition with local and foreign brands. Chinese-made vehicles now being shipped abroad aren't yet a threat to developed markets in the U.S. and Europe, where Made in China cars would face stiff consumer scrutiny. But the low-cost cars are making inroads in fast-growing emerging markets such as Africa, Asia and Latin America. The move overseas has been led by domestic auto makers, which increasingly have Beijing's blessing to tap export markets. Zhejiang Geely Holdings Group Co. almost doubled its exports of sedans to 39,600 vehicles last year over 2010, accounting for 9% of its sales volume. Chery Automobile Co. and Great Wall Motors also are ramping up their exports. (The Wall Street Journal)

BMW's turned over for the ADB Annual Governors' Meeting

Asian Carmakers Corp. (ACC), the official importer and distributor of BMW cars in the Philippines, formally handed over the fleet of BMW 5 Series to the Philippine government for the 45th ADB Annual Governors' Meeting, in a symbolic turn-over ceremony held on April 17 at the grounds of the Philippine International Convention Center (PICC). This is in preparation for the country's biggest economic event hosting this year. BMW is the official premium mobility sponsor of the 45th ADB Annual Governors' Meeting. The provision of a fleet of BMW 5 Series vehicles for the visiting heads of state is ACC's participation in the upcoming 45th ADB Annual Governors' Meeting which will be held from May 2 to 5 at the PICC. (The Philippine Star)

HARI raises sales growth forecast

Hyundai Asia Resources Inc. has accelerated its sales growth target this year to 20 percent, from a flat growth in January as the supply chain continues to recover. "The target this year is 20 percent. Actually in January, I said zero, but the supply is coming in, even if not yet at a normal level. It looks like we can achieve a 20 percent target," said HARI president and CEO Fe Perez-Agudo during HARI's thanksgiving party Friday for the recognition given to its Elantra model as the 2012 Car of the Year by the Car Awards Group. (The Philippine Star)



	Wednesday, April 25 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	7.92%	7.93%	7.79%

