



DASHBOARD

Changing News. Your Guide.

AVID Daily E- News

May 04, 2012

Volume 3 No. 57

MACROECONOMIC SNAPSHOT

Self-rated poverty surges

The number of Filipino households that consider themselves poor has risen markedly, the Social Weather Stations (SWS) said, with surges recorded in Mindanao and in rural areas. Results of an SWS poll, conducted last March 10-13 and made exclusive to BusinessWorld, found 55% of the respondents -- equivalent to an estimated 11.1 million families -- claiming to be "mahirap", 10 points higher than December's 45% or 9.1 million households. The survey also found that 45% or an estimated 9.1 million families consider themselves poor in terms of food, 9 points up from the 36% or estimated 7.2 million recorded in the previous quarter. The new levels are the highest to date for the Aquino administration, which has pledged to reduce poverty, although they are still below the record highs of 74% for self-rated poverty -- hit in July 1985 during the Marcos dictatorship -- and the 59% for self-rated food poverty first recorded in April 1994 during the Ramos administration and repeated in September 2002 when the Arroyo government was in power. (BusinessWorld)

Philippine economy to grow by 5-6%, say officials

Administration officials are optimistic that the Philippine economy will expand by 5 to 6 percent in 2012, higher than the 3.7-percent growth posted in 2011. Socioeconomic Planning Secretary Cayetano W. Paderanga Jr. told reporters on the sidelines of the 45th Asian Development Bank governors' annual meeting in Manila that the government's expenditures program was getting on track and economic indicators were looking "good." ADB president Haruhiko Kuroda said the Philippines and its neighbors were poised to weather the effects of a mild recession in the Euro zone this year, but stressed the urgent need for member-countries to address the wide income inequality in their jurisdictions. (Philippine Daily Inquirer)

Emerging markets seen to contribute more to global economy

Asia, including emerging markets like the Philippines, is expected to contribute more to the global economy in the coming years amid sound fundamentals, a top central banker said. "Asia is transitioning from being global producers to global consumers...this is a fundamental change that is happening in the global economy," Bank Negara Malaysia Governor Zeti Akhtar Aziz said in a forum on the sidelines of the 45th Annual Meeting of the Board of Governors of the Asian Development Bank. The region has benefited from its resilience and the policy flexibility to minimize the effects of the global financial crisis, she said. (The Philippine Star)

FINANCIAL TRENDS

Stocks sustain rally, notch fresh high

Stocks extended gains yesterday, breaching the 5,300 mark and notching a new record high on the back of optimistic economic growth sentiment at home, as well as fresh liquidity among local stocks. The Philippine Stock Exchange index (PSEi) rallied by 1.37% or 71.57 points to close at 5,300.41, while the broader all-share index added 1.08% or 37.32 points to 3,505.62. Earlier yesterday, the PSEi had already hit a fresh intraday high of 5,300.52, overtaking the last intraday high of 5,247.14 last April 26. (BusinessWorld)

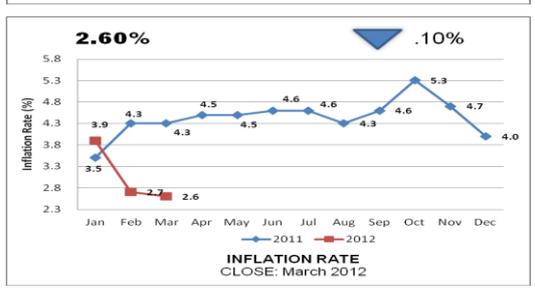
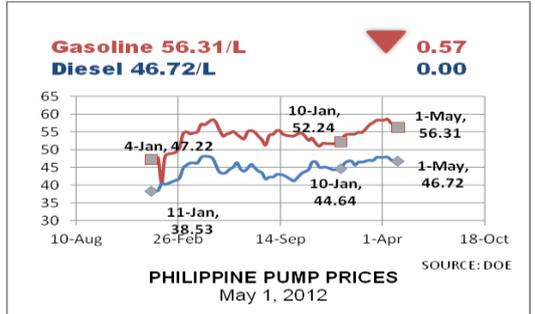
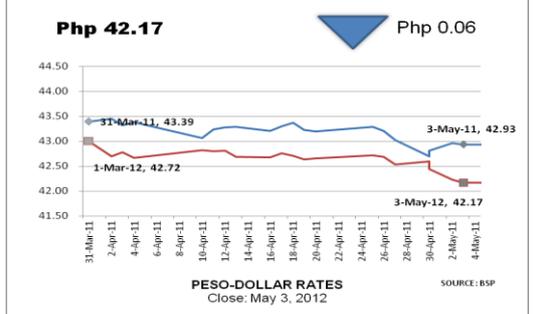
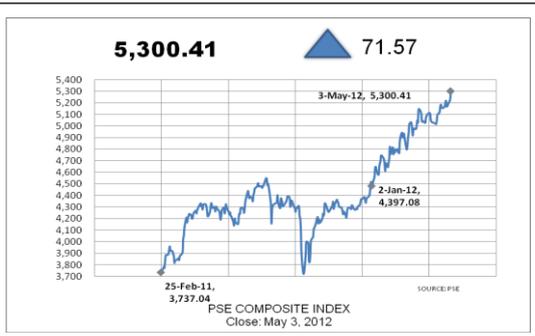
P/\$ rate stands at P42.17/\$1

The peso exchange rate closed higher at P42.17 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate depreciated to P42.209 from 42.166. Total volume amounted to \$784.95 million. (Manila Bulletin)

INDUSTRY BUZZ

US car sales in April increase 2.3% to 14.4 million

US auto sales rose 2.3% in April, helped by strong gains at Toyota Motor Corp. and Chrysler Group LLC, as American shoppers looked to replace their aging cars and trucks and the broader US economy showed signs of strength. The annual sales rate in April was 14.4 million, in line with the pace projected by economists polled by Thomson Reuters. This was in line with the March rate, but down slightly from the 14.6 million pace reported in the first quarter. "There continue to be a lot of mixed signals out there," said Toyota Brand Sales Chief Bob Carter. But he said consumers' pent-up demand for new vehicles coupled with Toyota's upcoming models would drive sales this year. "We're watching consumer confidence and consumer sentiment very closely," he said. "As both of those indices improve, we're starting to see more showroom traffic." Chrysler and Toyota were the biggest gainers in US market share in April, while General Motors Co. (GM), Ford Motor Co., Honda Motor Co. Ltd. and Nissan Motor Co. Ltd. all lost share in the month, according to Autodata Corp. Toyota sales shot up 11.6%, spurred by passenger cars led by the Camry sedan and the Prius hybrid. Chrysler sales leapt 20% on the strength of models like the 300 sedan. Both GM and Ford reported smaller-than-expected declines during the month. GM reported an 8.2% drop while Ford's sales fell 5%. (BusinessWorld)



	Thursday, May 3 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	7.91%	7.92%	7.79%

