



DASHBOARD

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MACROECONOMIC SNAPSHOT

DBM: 70% of budget released

Budget Secretary Florencio Abad on Wednesday said almost 70 percent of the budget for the year has been released to the target government departments as of April. Still, he issued a warning that the agencies concerned must spend their share to reach the Aquino administration's expenditure performance. As of end April, Abad said, the Department of Budget and Management released P1.26 trillion of the P1.816- trillion budget for the year. "Releases made by the DBM must be fully optimized, especially by the agencies that have already received them. Otherwise, the government's overall expenditure performance suffers, despite the releases already made," Abad, said. (BusinessMirror)

BOI pursuing \$3-B new investments

An estimated \$3 billion worth of new investments, including about \$2 billion from Europe and from the top 10 global electronics firms, are expected to be signed within the year, Undersecretary for Trade and Investments Promotion announced. "Europe would have the biggest of these prospective investments with \$1.5 billion to \$2 billion. We are handholding and we are supporting and providing all the necessary help," Panlilio said. One sure investment is the expansion of Coach bags manufacturing in Bataan by another company. The existing Coach bags production is located in Clark. Already, the Board of Investments has identified various projects with combined investments of \$366 million expected to register within the year. (Manila Bulletin)

Gov't debt stock down 1.6%

The government's debt stock as of February went down by 1.6 percent to P4.913 trillion from a month before due mainly to a net redemption of domestic securities and the strengthening of the peso. The February debt stock was, however, 5.5 percent, or P257.4 billion, higher than the year-ago level. Data from the Bureau of the Treasury showed that 58 percent of the debt stock, or P2.827 trillion, came from domestic lenders. Local debt decreased by P50 billion, or 1.8 percent, from P2.877 trillion in January. The decline was attributed to the government having redeemed more local debt paper than the volume issued. About 42 percent of the total, or P2.086 trillion, was booked in foreign currencies such as the dollar, euro and yen. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Local share prices extend losses on Europe woes

The Philippine Stock Exchange index (PSEi) went down by another 22.69 points yesterday, closing at 5,192.10 on rising fears about climbing borrowing rates in Spain and political turmoil in Greece. Most sectoral indices closed in negative territory, led by mining and oil that plunged 2.26 percent or 571.36 points to 24,740.19 and holding firms that slid by 0.93 percent or 42.71 points to 4,553.42. Services shed 0.76 percent or 12.97 points to settle at 1,694.17. (The Philippine Star)

Peso steadies on mixed data

The peso posted a slight gain against the dollar yesterday amid positive sentiment after Australia reported a lower unemployment number. After losing 13.5 centavos last Wednesday, the local currency strengthened by two centavos to settle at P42.39 per dollar yesterday against its P42.41-per-dollar finish the previous day. (BusinessWorld)

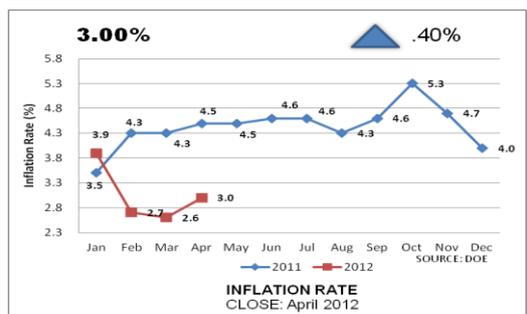
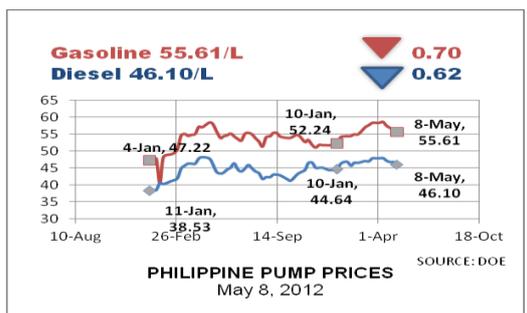
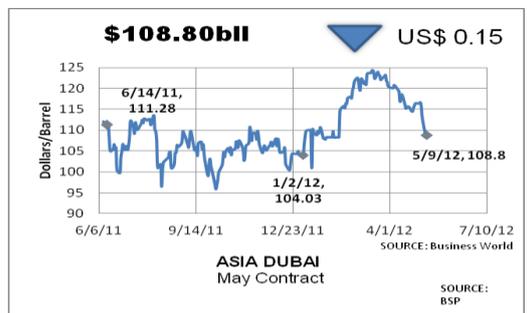
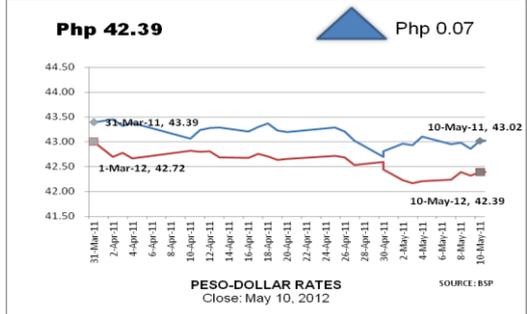
INDUSTRY BUZZ

Holidays pull down car sales

Motor vehicle sales in April versus the previous month posted a significant decline of 9.7 percent, but which industry players attributed to the short selling period for the month due to the observance of Holy Week celebration. The joint sales report of the chamber of automotive Manufacturers of the Philippines Inc. (CAMPI) and the Truck Manufacturer's association (TMA) showed the industry was only able to sell 12,304 units in April as against 13,631 units in March. The weak April performance has contributed to the continued decline in the overall sales in the January to April period of 44,912 units in the same period last year. (Manila Bulletin)

Auto sales in China rebound

Auto sales in China rebounded last month after a tough first quarter, in the latest indication that growth in the world's second-biggest economy is picking up. But an industry group said the government should do more to support the auto sector by lowering sales barriers to keep sales strong and nurture domestic companies. Sales of passenger vehicles rose 12.5% last month from a year earlier to 1.28 million units, while total sales rose 5.2% to 1.62 million vehicles, the China Association of Automobile Manufacturers said Wednesday. For January through April, car sales rose 1.9% to 5.05 million vehicles, while total sales dropped 1.3% to 6.42 million vehicles. (Wall Street Journal)



	Thursday, May 10 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	7.79%	7.88%	7.79%

