



MACROECONOMIC SNAPSHOT

Investments in April up 255%

Investments registered with the Board of Investments (BoI) in April surged by 255 percent to P133.18 billion from only P37.56 billion a year ago. The jump in investment commitments in April was driven largely by the two power projects approved by the BoI during the month. These were the P21.78-billion project of South Luzon Thermal Energy Corp.—a company jointly owned by the Ayala group, Trans-Asia Oil and Energy Development Corp.—and the P49.45-billion expansion of the 600-megawatt Masinloc coal facility of Masinloc Power Partners Co. Ltd., the local arm of US power giant AES Corp. The April registration brought to P151.55 billion the value of investment commitments approved by the BoI in the first four months of the year. This was, however, only 2 percent higher than the P147.95 billion posted a year ago. (Philippine Daily Inquirer)

Exporters keep 10% growth target

Despite the restrictions imposed by China on Philippine fruits such as bananas, papayas and pineapples, the Philippine Exporters Confederation Inc. (Philexport) remains confident the 10-percent export growth target for the year would be met. "We can still achieve the 10-percent growth in exports for 2012 unless China wages a 'full-blown economic warfare' against the Philippines," said Philexport President Sergio Ortiz-Luis. He said the country's economy could, indeed, be crippled if China decided to impose retaliatory trade measures against the Philippines. China is now the third-biggest trading partner of the Philippines, accounting for around 15 percent of total exports in recent years. Figures from the National Statistics Office (NSO) showed that shipments of Philippine goods to China increased by 6.46 percent to \$6.09 billion in 2011. (BusinessMirror)

April collections fall short despite seasonal boost

The Bureau of Internal Revenue (BIR) missed its collection target in April despite the filing of annual income taxes that month. In a statement, BIR said it collected P116.22 billion in April, P6.6 billion short of its P122.815-billion goal — the bureau's highest target for the year. It was the second straight month the bureau suffered a significant shortfall after it missed its March target by more than P7 billion. Nevertheless, its April collections were 12.41% more than the P103.393 billion recorded the year before. Regional offices contributed P39.18 billion to the revenue take last month, a fifth more than the levels seen in 2011, while the Large Taxpayers Service (LTS) brought in P74.25 billion, up 7.77% from a year ago. (BusinessWorld)

FINANCIAL TRENDS

Local shares end 2.3% down

Local shares ended lower yesterday, for the sixth straight session amid growing concerns over political impasse on Greece. PSEi was down 2.3% to 4864.23, with all sub-indices trading in the red. (Manila Bulletin)

Peso plunges to P43-to-dollar territory

The peso, moving together with other key Asian currencies, plunged back to the 43-to-a-dollar territory on Wednesday as speculations of Greek politics worsening the eurozone's debt crisis led to risk aversion globally. The local currency closed at 43.045 against the US dollar on Wednesday, registering its weakest in about seven weeks. The latest close was down by 38.5 centavos from Tuesday's finish of 42.66:\$1. (Philippine Daily Inquirer)

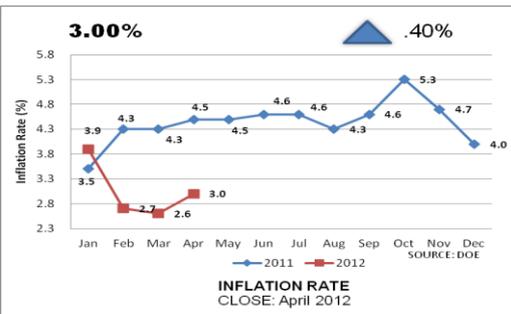
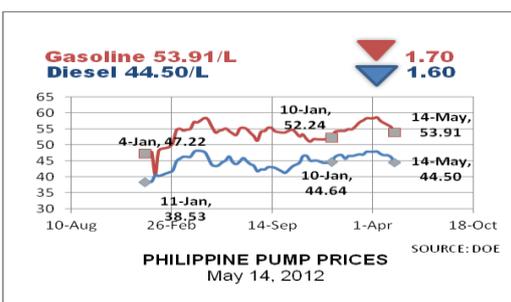
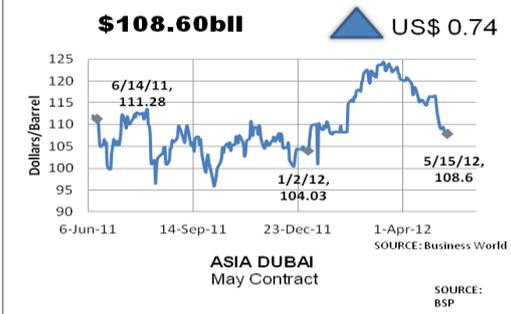
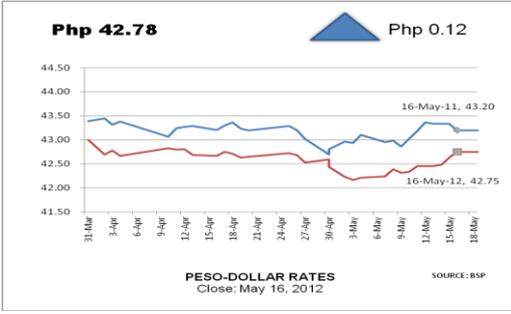
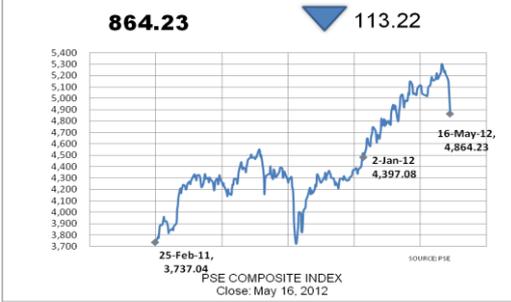
INDUSTRY BUZZ

AVID reports 31% rise in 4-month vehicle sales

The Association of Vehicle Importers and Distributors Inc. posted a 31-percent growth in vehicle sales to 10,633 units in the first four months of the year, from 8,119 units a year ago. In a report, AVID said the passenger car segment fueled the growth in the four-month sales of its member-companies. Sales of passenger cars surged by 85 percent to 6,527 units in the first four months from 3,526 units in the same period last year. For April alone, vehicle sales of AVID members grew by 12 percent to 2,333 units, compared to 2,085 units in April 2011. This was fueled by the 55-percent increase in the sales of passenger cars to 1,324 units from 852 units a year ago. (Philippine Daily Inquirer)

Nissan's earning double

Nissan Motor Co. said that its net profit more than doubled in the January-March quarter from a year earlier, as sales grew in most global markets to offset the yen's strength. The Japanese auto maker posted a net profit of ¥75.34 billion (\$942.5 million) in the three months ended in March, up from ¥30.77 billion in the same quarter a year earlier. Sales increased 15% to ¥2.711 trillion from ¥2.351 trillion, while operating profit jumped 33% to ¥118.08 billion from ¥88.61 billion. For the current fiscal year through March, the car maker expects its net profit to increase 17% to ¥400 billion on sales of ¥10.3 trillion, up 9.5%. (Wall Street Journal)



	Wednesday, May 16 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%

