

DASHBOARD

Changing News. Your Guide.

AVID Daily E- News

May 31, 2012

Volume 3 No. 74

MACROECONOMIC SNAPSHOT

Moody's upgrades RP rating to 'positive'

Moody's Investors Service has upgraded its credit rating outlook on the Philippines to positive from stable due to the country's continued trend fiscal as well as debt consolidation and the enhanced finance-ability of government debt. In a statement, the credit rating agency said that the government has continued to demonstrate prudence in its fiscal management, as characterized by low budget deficits relative to its rating peers and a steadily declining level of debt relative to its economy. Moody's said such outcomes are the result of expenditure restraint and improved revenue performance. (Manila Bulletin)

PHL-EU trade resilient in 2011, envoy says

The European Union (EU) on Tuesday said its trade with the Philippines remains resilient with €9.1 billion worth of bilateral trade in 2011, an amount maintained at the pre-euro-zone crisis level. Ambassador Guy Ledoux, head of the EU delegation to the Philippines, said the EU has the highest foreign direct investments (FDI) to the country, with total direct flows that quadrupled to €430 million in 2010. As a direct investor to the Philippines, the EU remains to be on top with its total stock of investments rising by 16 percent to nearly €8 billion in 2010. The amount comprises about 30 percent of total FDI stock in the Philippines. Ledoux, in a statement, said the Philippines has yet to tap more investment opportunities in the EU, citing its share in 2010 only comprise 4 percent of the total €193 billion worth of total direct investments of the EU in the economies of the Association of Southeast Asian Nations (ASEAN). (BusinessMirror)

PH banks seen weathering global crisis

Universal and commercial banks in the country are seen able to absorb potential loan losses arising from global economic uncertainties given their rising reserves. "The industry's provisioning against potential credit losses remained adequate," the Bangko Sentral ng Pilipinas said in a report. Documents from the central bank showed that the average NPL coverage ratio of the universal and commercial banks in the country improved to 124.94 percent as of end-March from 120.37 percent in the same period last year. The BSP said the fact that the loan-loss reserves exceeded the bad debts showed that Philippine banks would remain stable even if a significant number of borrowers would default on their loans. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Index eases as market continues to consolidate

The local stock market succumbed to profit taking yesterday, snapping a three-day gain in the main index. With the end of the impeachment trial, the Aquino administration can now focus more on economic reforms required by investors, analysts said. The Philippine Stock Exchange (PSE) index dropped 0.1 percent or 4.79 points to 5,018.32, while the broader all shares index slipped 0.1 percent or 3.43 points to 3,348.73. (The Philippine Star)

P/\$ rate closes at P43.50/\$1

The peso exchange rate closed lower at P43.50 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P43.22 the previous day. The weighted average rate appreciated to P43.451 from P43.494. Total volume amounted to \$1.032.4 billion. (Manila Bulletin)

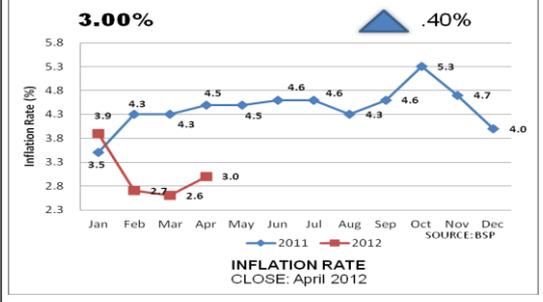
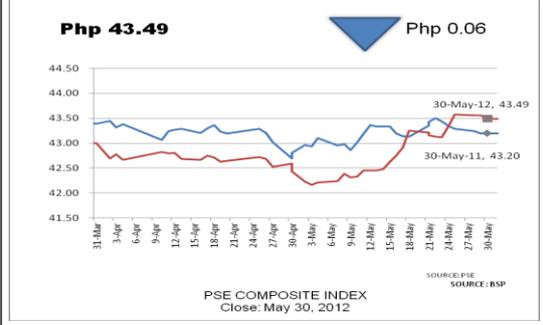
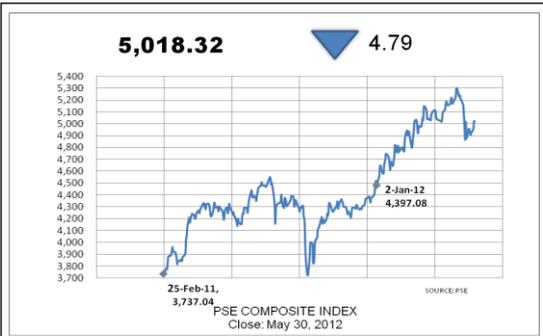
INDUSTRY BUZZ

Toyota introduces sportier Vios

Toyota Motor Philippines (TMP) introduced recently a new Toyota Vios, packed with new features that give the country's best selling vehicle a more updated and sporty look. The new Vios showcases new smoked headlamps, dark chrome grille and dark alloy wheels. Moreover, the addition of an AUX function for the E grade's audio system enables Vios owners to enjoy their music players while driving the vehicle. Owners of the new Toyota Vios are assured of its worry-free ownership due to its low maintenance cost, superb fuel efficiency consuming 22.67 Km/L and its Toyota Sure Advantage. (The Philippine Star)

Lamborghini dealer poised to outdo target

Local sales of Lamborghini sports cars may exceed expectations, an official of the Italian automaker's Philippine dealer said, as orders have stacked up since last year. "We are on track in achieving our target and we are optimistic that we will exceed it," PGA Automobile, Inc. General Sales Manager Enrique Jarlego II told on the sidelines of the inauguration Lamborghini Manila outlet in Bonifacio Global City late on Monday. PGA Automobile bagged the official dealership for Automobili Lamborghini S.p.A. last year. "Our allocation for this year is 16 units and as of now we have already reached double-digit sales," Mr. Jarlego said. (BusinessWorld)



	Wednesday, May 30 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%

