



DASHBOARD

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MACROECONOMIC SNAPSHOT

Manufacturing output expands at slower pace of 3.1% in May

The country's manufacturing output continued to expand but at a slower pace in May, according to the National Statistics Office (NSO). According to the NSO's Monthly Integrated Survey of Selected Industries, manufacturing output as measured by the Volume of Production Index (VOPI) posted a year-on-year growth of 3.1 percent in May, slower than the previous month's 3.3 percent. The VOPI expanded 8.8 percent in March. The NSO said the growth in production was driven by "the three-digit growth in production output of footwear and wearing apparel (124.7 percent), transport equipment (118.2 percent) and furniture and fixtures (103.4 percent)." (The Philippine Star)

DTI bullish on foreign investments

The Philippines said it aims to boost foreign direct investments in call centers, factories and shipyards to more than \$10 billion a year, as President Benigno Aquino strives to create jobs and bolster growth. The Philippines received 24 business teams in the first half of the year from countries including Russia, Turkey and Japan, Trade and Industry Secretary Gregory Domingo said. Investors are keen on shipbuilding, agriculture, energy, steel, garments, and business process outsourcing, he said. The \$10 billion FDI target coincides with the goal set earlier this year by the Board of Investments, which is chaired by Domingo, to generate P400 billion this year. The BOI target is supported by the 2012 Investment Priorities Plan, which identifies 13 preferred economic activities that are granted a package of tax incentives by the government. (Manila Bulletin)

Filipinos among the most optimistic in Nielsen poll

Consumer confidence in Asia declined in the second quarter amid lingering economic uncertainties but Filipinos remained among the most optimistic in the region, a Nielsen survey showed. The confidence index for the Philippines dropped two points to 116 in the Nielsen Global Consumer Confidence Survey, mirroring the trend across Asia where overall optimism went down -- also by two points -- to 95. Despite the weakening sentiment, however, consumer confidence in the region still outperformed the global average of 91. The Philippines ranked third overall among the 56 surveyed countries and was second in Southeast Asia, behind Indonesia which garnered the top spot overall with an index of 120, another two-point dip from the previous quarter. (BusinessWorld)

FINANCIAL TRENDS

Philippine stocks down 1.22%

Local stock prices tumbled sharply on Wednesday as a treasury share sale by a blue chip company was seen as a signal of a "toppish" market while gloomy US outlook dampened appetite across the region. The main-share Philippine Stock Exchange index shed 64.57 points, or 1.22 percent, to finish at 5,220.55, led lower by Ayala Corp. (-5.02 percent). (Philippine Daily Inquirer)

Euro zone woes slow peso's momentum

The peso appreciated to a new four-year high during morning trading yesterday as investors welcomed Federal Reserve Chairman Ben Bernanke's assurances but euro zone woes weighed on it towards the close of trading. The local unit strengthened by four-and-a-half centavos to finish at P41.68 per dollar yesterday against its P41.725-per-dollar close on Tuesday. (BusinessWorld)

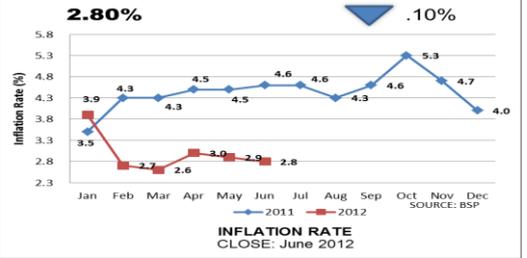
INDUSTRY BUZZ

Audi sales jump 13% in June

Audi, one of Volkswagen AG's luxury brands, saw sales jump 13 percent in June due to stronger demand in the company's home market of Germany as well as the US and China. The company sold 133,050 vehicles worldwide, up from 117,608 in June 2011. Sales rose 15 percent in Germany, 26 percent in the US and 20 percent in China. Audi chief executive officer Rupert Stadler said the company was on course to meet its goal of selling 1.4 million vehicles this year. For the first six months, sales were up 12 percent at 733,000. (Malaya Business Insight)

Volvo's new safety technologies reduce risk of rear-end impacts by up to 42 percent

The final report from the EuroFOT research project, which has brought together 28 European companies and organizations, confirms that Volvo Car Corporation's systems to help drivers avoid incidents and collisions deliver significant benefits. Analysis of the Volvos used in EuroFOT focused on five technological solutions: Adaptive Cruise Control; Collision Warning; Blind Spot Information System; Lane Departure Warning and Driver Alert Control. The final report from EuroFOT clearly shows that adaptive cruise control and forward collision warning enhance traffic safety. The benefits are greatest on the motorway, where the risk of driving into the vehicle in front is cut by up to 42 percent. (The Philippine Star)



	Wednesday, July 18 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	2.01%	2.15%	3.85%
Lending Rates	7.77%	7.80%	7.79%

