



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### PPP could grow economy by 2% yearly

The country's economy as measured by gross domestic product (GDP) could grow by an additional 2 percent each year if the government managed to bid out and implement all of the big-ticket projects under the Aquino administration's public-private partnership (PPP) initiative, a finance official said on Wednesday. According to Finance Undersecretary Gil Beltran, the country's GDP, which grew by a surprising 6.4 percent in the first quarter, could have been higher if only the PPP Program, which includes large infrastructure projects needed by the country, were implemented during the first two years of the Aquino administration. He said the government's original forecast was that the program would push the economy by at least 2 percent. (BusinessMirror)

### BSP concerned over strong capital flows

The Bangko Sentral ng Pilipinas (BSP) sees a near-term concern for strong capital flows, although the BSP has sufficient tools to manage the impact of fund movement in the Philippine economy. Gov. Amando Tetangco of Bangko Sentral ng Pilipinas said that developments in the United States, one of the Philippines' largest trading partners, as well as the impact of tighter rules on a short-term deposit window which has attracted as much as \$3.8 billion in funds, would be part of discussions when the central bank meets next week to set policy. (Manila Times)

### CCT key to poverty reduction, other MDGs, NEDA says

The government's Conditional Cash Transfer (CCT) Program is still being viewed as the most important component of the country's aim to reduce poverty to 16.6 percent by 2015, according to the National Economic and Development Authority (NEDA). In a statement, NEDA said it hopes that through the CCT, which will receive one of the biggest allocations in the P2.006 trillion-worth budget for 2013, the country would be able to attain the poverty targets and other Millennium Development Goals (MDGs). The CCT is a cash incentive program for poor households in exchange for sending children to school and submitting them to regular checkups, as well as requiring pregnant women to see a doctor regularly during their pregnancy. (BusinessMirror)

## FINANCIAL TRENDS

### PH stocks dip as investors wait for 2nd-quarter earnings

Most local stocks slumped for a third straight session on Thursday, bucking an upswing in the region, as investors paused to await the local second-quarter corporate earnings season. The main-share Philippine Stock Exchange index gave up early session gains to close 31.18 points, or 0.6 percent, lower at 5,189.37 in thin trade. (Philippine Daily Inquirer)

### Peso weakens as investors buy dollars

Market players bought dollars to take advantage of the peso's strength yesterday, and in the process, pushed down the value of the peso against the greenback. The peso slid by seven-and-a-half centavos to settle at P41.755 per dollar against its P41.68-per-dollar close the previous day. The local unit opened at P41.57 against the dollar yesterday, 11 centavos stronger than its P41.68-per-dollar close the previous day. (BusinessWorld)

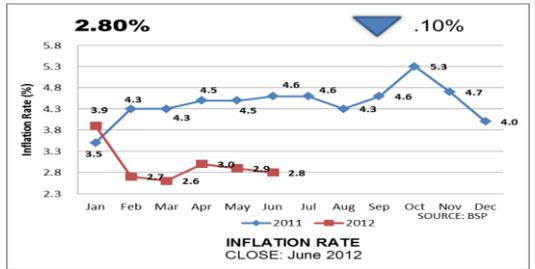
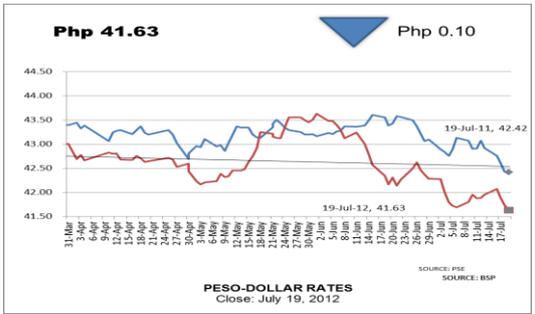
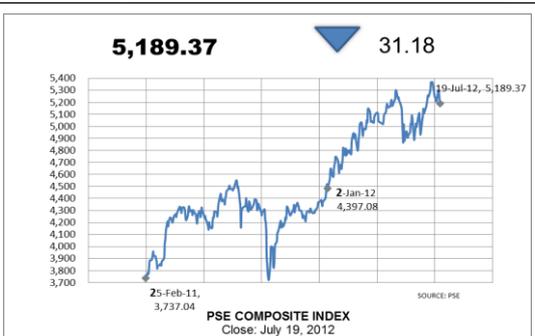
## INDUSTRY BUZZ

### Car sales data bolster positive first-half result

Overall car sales grew in the first half, with the Association of Vehicle Importers and Distributors, Inc. (AVID) yesterday reporting a 28% surge to add to the larger Chamber of Automotive Manufacturers of the Philippines, Inc.'s (CAMPI) 4.43% gain for the period. AVID, in a statement, said its members were able to sell 15,799 units in the first half compared to 12,324 units sold in the same period last year. Growth was driven by the passenger car segment where sales rose by 59% to 9,350 units from a year earlier. (BusinessWorld)

### BMW tops premium segment

Asian Carmakers Corp. (ACC), the official importer and distributor of BMW in the Philippines, continued to lead the premium automotive segment, posting its highest sales of 106 units last June and dominating the market with a 41-percent market share for the month. The company said this mirrored the global trend that has seen the BMW Group post an 8.1-percent year-on-year growth. It said consumer demand for the brand increased in the latter part of the first half of 2012, resulting in a 30-percent year-to-date market share. On the other hand, the 5 Series dominated its segment by having a 69-percent month-on-month sales growth, 40-percent month-to-date sales increase and 48-percent year-on-year sales. (Philippine Daily Inquirer)



	Thursday, July 19 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%

