

DASHBOARD

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MACROECONOMIC SNAPSHOT

Inflation quickens

Inflation accelerated to 3.2% in July, the fastest pace since February, the National Statistics Office yesterday reported, following higher price increases in several commodity groups. The result was faster than June's 2.8%, but it remained within the Bangko Sentral ng Pilipinas' (BSP) 2.6-3.5% outlook and was close to the median forecast of 3.1% in a BusinessWorld poll of analysts. Core inflation, which excludes volatile products such as food and energy, also went up to 4.1% in July from 3.7% in June. Central bank Governor Amando M. Tetangco, Jr. said the rise in consumer prices remained manageable but reiterated that monetary authorities remained watchful and would adjust policy if needed. (BusinessWorld)

BIR collects P34.08 billion excise taxes in H1

The Bureau of Internal Revenue collected P34.08 billion in excise taxes in January to June, 3.45 percent higher than year-ago figures, latest data from the agency showed. In the same period last year, the BIR collected P32.94 billion. BIR Commissioner Kim Henares attributed the increase to enhanced tax administration efforts by the agency and the filing of tax evasion cases against delinquent taxpayers under its Run After Tax Evaders (RATE) program. With the higher collections, the BIR is on track to meeting its excise tax goal of P71.089 billion for the whole year. (The Philippine Star)

P6-B calamity fund ready

The government is ready to release as much as P6 billion in calamity funds for disaster response following the rampage of the southwest monsoon in Metro Manila and a wide swathe of Luzon earlier this week. Department of Budget and Management (DBM) Secretary Florencio Abad said on Wednesday that P5.95-billion in calamity funds are available for relief efforts. "These funds are readily available to enable national government agencies to immediately respond to the needs of localities and citizens affected by calamities," Abad said. "We are ready to augment these quick response funds and the Calamity Fund if needed. We have enough savings that can be realigned to support disaster response and rehabilitation activities," he said. (The Philippine Star)

FINANCIAL TRENDS

Philippine stocks move back to 5,300

Most local stocks resumed trading on an upbeat mood on Wednesday, lifting the main index back to the 5,300-mark, as investors tracked buoyant regional sentiment. The main-share Philippine Stock Exchange index added 24.51 points or 0.46 percent to finish at 5,308.67, aided by the property counter, which jumped by 2.88 percent. (Philippine Daily Inquirer)

Peso gains as traders unload dollars

The peso strengthened against the dollar yesterday after investors sold dollars that accumulated since Tuesday, when financial markets were closed due to heavy rains that inundated Metro Manila. Appetite for risky assets, amid expectations of a euro rescue by the European Central Bank (ECB), also buoyed the peso against the greenback yesterday. The local unit gained six-and-a-half centavos to settle at P41.77 per dollar against its P41.835-perdollar close last Monday. (BusinessWorld)

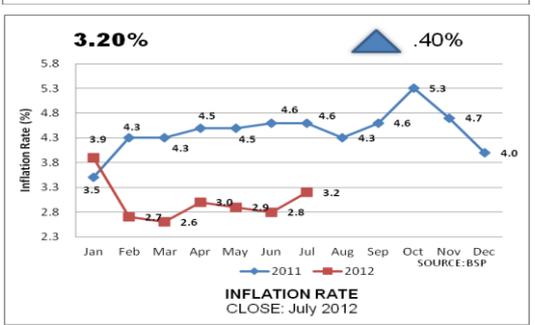
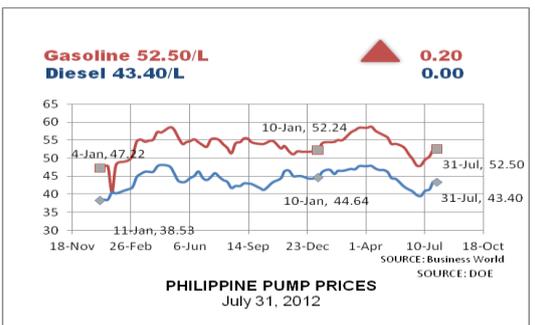
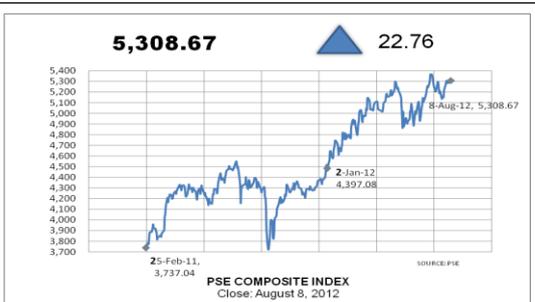
INDUSTRY BUZZ

House, Senate approval of e-vehicle bills pushed

Electric vehicle producers on Wednesday urged the House of Representatives and the Senate to expeditiously approve legislative bills providing incentives to electric-vehicle manufacturers, assemblers and importers. "We believe that House Bill [HB] 5460, which has been approved, and Senate Bill [SB] 2856, which is still pending, will make us competitive in the region and probably make us the manufacturing hub for both EV parts and vehicles in the region," Rommel Juan, EV Association of the Philippines president, said. Juan said HB 5460 provides various incentives, such as exemption for EV manufacturers and assemblers from payment of excise taxes and duties for nine years, among which are value-added tax (VAT) exemption for the importation of raw materials, spare parts, components and capital equipment for nine years and zero-percent VAT rate for the sale of raw materials, spare parts, components and capital equipment, also for nine years. (BusinessMirror)

Toyota rebounds to post stronger-than-expected profit

Toyota Motor Corp posted its largest quarterly operating profit in four years and raised its 2012 global sales target on the strength of demand for cars like the Camry and Prius in key markets such as the United States and Japan. The world's top automaker reported an operating profit of 353 billion yen (\$4.51 billion), from a loss a year ago, a better-than-expected result that underscored its rebound from the natural disasters that blighted 2011. Toyota, which regained its crown as the world's best-selling automaker in the first half of 2012, said it now expects to sell 9.76 million cars and light trucks globally in 2012, including the Daihatsu and Hino brands. (BusinessWorld)



	Wednesday, August 8 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	7.67%	7.73%	7.79%

