



DASHBOARD

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MACROECONOMIC SNAPSHOT

Q2 growth seen at 7%

The economy likely expanded by 6.5 percent to seven percent in the second quarter of the year, better than the first quarter expansion of 6.4 percent, according to the latest issue of the Market Call. The Market Call is a regular research report published by First Metro Investment Corp. and the University of Asia & the Pacific. It said it expects full-year growth to hit six percent to seven percent this year on strong domestic demand, higher than the official forecast range for the year of five percent to six percent. It noted that this view is supported by the 25 basis points policy rate cut of the Bangko Sentral ng Pilipinas last month and the lower-than-expected budget gap in the first half which indicates that the government still has a lot of room to boost spending. (Philippine Star)

Gov't debt rises as of June

National government debt hit P5.101 trillion as of June, up 6.04% from the P4.81 trillion last year, data from the Bureau of Treasury showed. The rise in outstanding debt was driven by domestic debt, which accounted for P3.05 trillion, higher by a tenth from the P2.759 trillion a year ago. The government borrowed P3.048 trillion in securities and assumed loans worth P2.29 billion. Government agencies also availed of P160 million in direct loans. (BusinessWorld)

Inflation to remain within target

Despite the disruption brought by the monsoon rains last week, inflation is seen falling within the government's 3-5 percent target, an official of the National Economic and Development Authority (NEDA) said. NEDA Deputy Director-General Emmanuel Esguerra said the immediate impact of the recent weather disturbance would be on the supply and prices of goods. "I suppose it's really going to come from the supply disruption. I think you will see the initial impact on prices," Esguerra said in an interview. Already, inflation rose to 3.2 percent in July, the fastest since the 4.0 percent reported in January. In Metro Manila, inflation jumped to 3.1 percent in July from 2.2 percent in June. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Phl stocks move sideways on lack of positive leads

Local share prices rose by a meager 8.43 points yesterday as investors stayed on the sidelines waiting for positive trading leads in the local and foreign fronts. The main PSEI advanced 8.43 points or 0.16 percent to close at 5,271.78. More than 1.124 billion shares valued at P4.239 billion changed hands during the morning and afternoon sessions. (The Philippine Star)

P/\$ rate closes at P41.85/\$1

The peso exchange rate closed lower at P41.93 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P41.885 the previous day. The weighted average rate appreciated to P41.908 from P41.864. Total volume amounted to \$854.66 million. (Manila Bulletin)

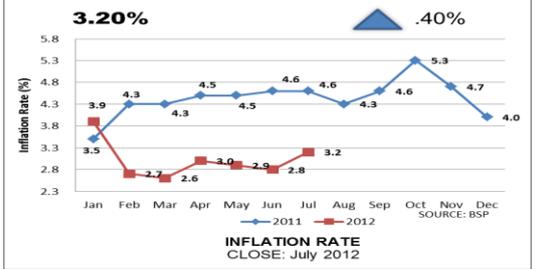
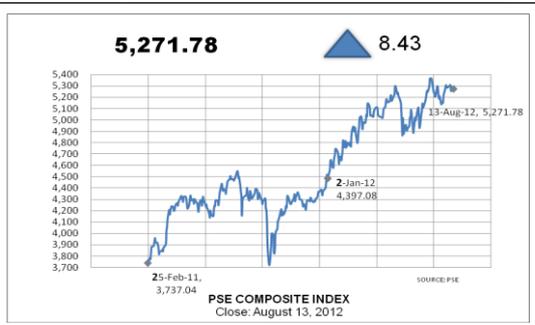
INDUSTRY BUZZ

Hyundai says brisk H1 sales to cushion 'slow' Q3

Hyundai Asia Resources Inc. posted a 20-percent sales hike in the January-to-July period driven by the strong market reception for its passenger car models. Ma. Fe Perez-Agudo, HARI president and CEO, said Hyundai's performance for the first seven months of the year provided them enough cushion for the cyclically lean third quarter. "Hyundai sales maintain a brisk pace as we enter what is commonly considered the 'slow-moving' quarter for Philippine business. This strong performance is driven by aggressive marketing of Hyundai's best-selling models, backed by the prevailing favorable economic and business environment in the country," she said in a statement. HARI sold 14,281 units in the first seven months of the year. Its passenger car sales grew by 58 percent to 8,926 units boosted by the Accent sedan and the Eon compact sedan. HARI's sales in the light commercial vehicle segment, however, dropped by 14 percent for the period to 5,355. (BusinessMirror)

GM may have electric car breakthrough

A small battery company backed by General Motors is working on breakthrough technology that could power an electric car 100 (160 kilometers) or even 200 miles (320 kilometers) on a single charge in the next two-to-four years, GM's CEO said Thursday. Speaking at an employee meeting, CEO Dan Akerson said the company, Newark, California-based Envia Systems, has made a huge breakthrough in the amount of energy a lithium-ion battery can hold. GM is sure that the battery will be able to take a car 100 miles (160 kilometers) within a couple of year and it could be doubled with some luck, he said. "I think we've got better than a 50-50 to develop a car that will go to 200 miles on a charge. That would be a game changer," Akerson said. (Malaya Business Insight)



	Monday, August 13 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	7.64%	7.67%	7.79%

