



DASHBOARD

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AVID Daily E- News

August 24, 2012

Volume 4 No. 26

MACROECONOMIC SNAPSHOT

Gov't budget gap reached P39.2B in July

The government posted a budget deficit of P39.2 billion in July as expenses and revenues continued to grow by a double-digit pace year-on-year. According to the Bureau of Treasury, this brought the deficit in the first seven months to P73.7 billion—about two-fifths of the P183.3 billion that the government intended to spend on top of the budget in the first nine months. Also, the seven-month deficit was 68.7 percent more than the P43.7 billion recorded in the same period of 2011. From January to July, expenses reached P958 billion—71 percent of the program for the first three quarters. Still, the figure was 15.1 percent higher year-on-year. (Philippine Daily Inquirer)

DA targets 5.3% growth in medium term

The Department of Agriculture (DA) said it would continue to shoot for a growth of 4.3 percent to 5.3 percent in farm output from 2013 to 2015 or the medium term, despite the challenges confronting it, like climate change. "In the medium term, we will seek to achieve a growth of 4.3 percent to 5.3 percent for agriculture and fisheries," Agriculture Secretary Proceso J. Alcala said during a hearing on the department's budget for 2013. The department was allocated a budget of P74.1 billion for 2013. This is 21 percent higher than its P61.4-billion budget in 2012. Since it is banking on the crops subsector, particularly palay, to boost farm growth, the DA said the Department of Budget and Management allocated a budget of P28.75 billion for irrigation for 2013. (BusinessMirror)

Cash grant to poor reaching target, says WB

The government's cash subsidy program for indigent families has been found successful in achieving targets for improving maternal health care and child education, according to the World Bank (WB). In a press conference yesterday in Makati City, the World Bank, citing results of its Impact Evaluation on the conditional cash transfer, said the Pantawid Pamilyang Pilipino Program (4Ps) is on track to achieving its social objectives. "The Pantawid Program is really on track to achieve its goals," said Junko Onishi, monitoring and evaluation specialist of the international agency. In a statement, the Washington-based lender also said preliminary results suggest that the program has impact on the target beneficiaries. (BusinessWorld)

FINANCIAL TRENDS

Stocks gain lost ground

The local stock index on Thursday climbed back to the 5,200 level, aided by bargain-hunting and fresh expectations of another monetary stimulus from the US Federal Reserve. The main-share Philippine Stock Exchange index clawed back 50.69 points, or 0.98 percent, to close at 5,202.84, ending a three-day slump. Value turnover was still thin at P4.19 billion. There were 94 advancers against 57 decliners, while 40 stocks were unchanged. (Philippine Daily Inquirer)

Peso surges on Fed signal

The likelihood the Federal Reserve will provide another stimulus to the ailing US economy and positive manufacturing data from the euro zone buoyed the peso against the dollar for the second straight trading session yesterday. After appreciating by 13 centavos last Wednesday, the local unit gained 18 centavos to finish at P42.11 per dollar yesterday from P42.29 per dollar the day before. (BusinessWorld)

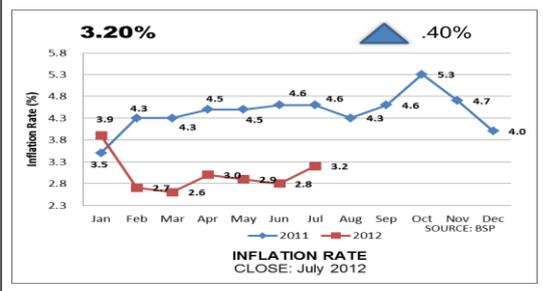
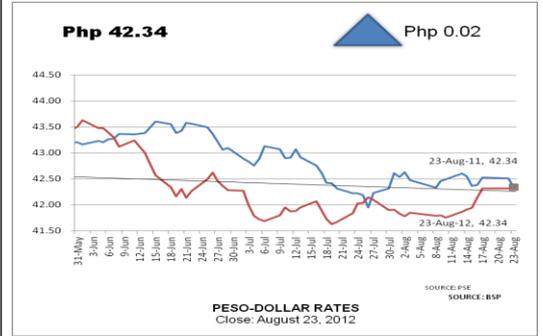
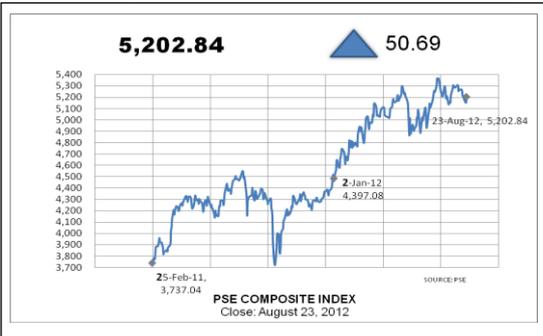
INDUSTRY BUZZ

Columbian expands into luxury bus

Columbian Manufacturing Corp. (CMANC), the exclusive manufacturer of Daewoo buses in the country, has expanded its line up to include the assembly of luxury buses which bodies have almost 100 percent local content. Arsenio G. Yap, CMANC president, said the new luxury bus BV115 would be its third model in just three years that they started operations in Sta. Rosa, Laguna. So far, they have already assembled 700 units of buses for the local market. These bus models BF106 and BS106 are used for the local transport. The new luxury bus model is ready for introduction by next year although it was already showcased at the recently concluded 4TH Philippine International Motor Show. (Manila Bulletin)

US car buyers are more satisfied with major automakers

Customer satisfaction with major automakers has returned to its highest point in the nearly 20 years of the widely tracked American Customer Satisfaction Index. The industry achieved an overall ranking of 84 out of 100, tying 2009 for its best-ever mark. This year is the industry's most impressive performance, said David VanAmburg, managing director of ACSI. In 2009, customers were happy because vehicle prices hit rock bottom when the U.S. government launched the cash-for-clunkers incentives in the summer of 2009 during the depths of the Great Recession. Prices have since rebounded -- but consumers are still satisfied. (BusinessMirror)



	Thursday, August 23 2012	Last Week	Year ago
Overnight Lending, RP	5.75%	6.00%	6.50%
Overnight Borrowing, RRP	3.75%	4.00%	4.50%
91 day T Bill Rates	2.01%	2.15%	3.85%
Lending Rates	7.61%	7.64%	7.79%

