



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### Manufacturing sector needs push, says PIDS

The country's manufacturing sector needs to be strengthened in order to push for inclusive growth, an official from the Philippine Institute for Development Studies (PIDS) said at a briefing yesterday. The presentation noted regional production networks in the Association of Southeast Asian Nations (ASEAN) have been growing. The Philippines, however, was shown to not follow the trend of Asian countries where manufacturing is increasing in GDP (gross domestic product) share. Compared to countries like Malaysia and Thailand which showed an increasing share of manufacturing in GDP, the Philippines has been decreasing since 2000. In 2010, the share of manufacturing to the GDP was at 21.4% compared to 23.6% in 2006. The manufacturing sector is supposed to employ more "less-educated" labor than in more productive and high paying jobs. But the Philippine manufacturing sector, because of its less value-added nature, did not benefit from economic integration of the ASEAN. As part of the government's move to improve the manufacturing sector, PIDS is working to come up with a manufacturing roadmap tentatively set for October. The road map will pull together the policy recommendations from different sectors. (BusinessWorld)

### 5-year plan to lick joblessness bared

The Trade and Industry department on Monday said the country's unemployment problem can be solved with the creation of 9.1 million jobs within the next five years if the current \$55-\$60 billion merchandise and service export will be doubled. "If we double our exports, it could add an additional 9.1 million job opportunities," said Trade Secretary Gregory L. Domingo during the Senate finance committee hearing on his P4.093 billion proposed budget for 2013. DTI's budget in 2012 was P3.2 billion. (Manila Standard)

### Policy still appropriate

Monetary policy remains appropriate but authorities will consider various scenarios, among them a fresh easing by the US Federal Reserve, during a review next week, the Bangko Sentral ng Pilipinas (BSP) chief said. The BSP's policy-making Monetary Board has reduced key rates by a total of 75 basis points since the start of the year, bringing the central bank's overnight borrowing and lending rates to record lows of 3.75% and 5.75%, respectively. Several analysts expect another cut before yearend. After Sept. 13, the Monetary Board has two rate-setting meetings left for the rest of the year. (BusinessWorld)

## FINANCIAL TRENDS

### Phi stocks waver on global economic uncertainty

Asian stocks including the Philippines wavered yesterday as uncertainties persisted about what authorities in the US, China and Europe might do to deal with a souring global economy. The previous day's trading was dominated by a survey suggesting that China's manufacturing sector was contracting. At the Philippine Stock Exchange (PSE), the main composite index dropped 43.21 points or 0.83 percent to close at 5,175.87. Over 1.92 billion shares valued at P4.72 billion were traded. (The Philippine Star)

### Peso gains anew as ECB unveils stimulus plan

The peso strengthened further on Tuesday as the European Central Bank's unveiling of a new stimulus plan for the eurozone boosted appetite for emerging-market assets. The local currency closed at 41.905 against the US dollar, up by 7.5 centavos from the previous day's finish of 41.98:\$1. (Philippine Daily Inquirer)

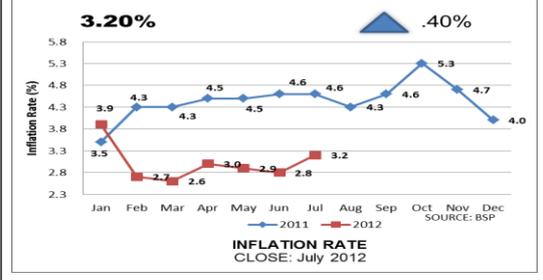
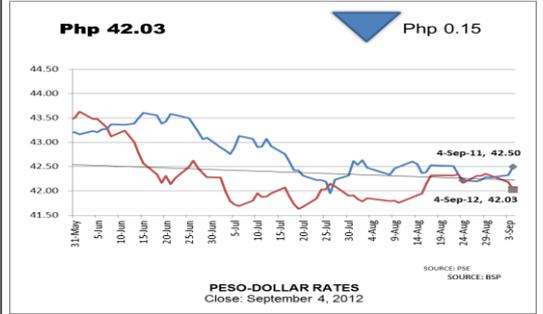
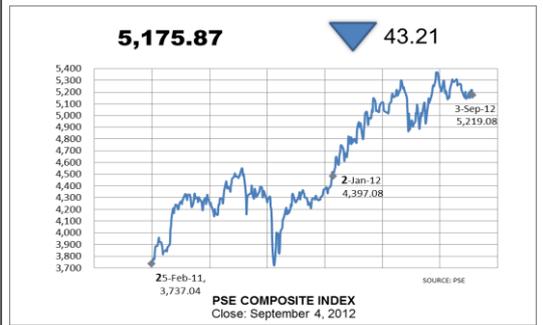
## INDUSTRY BUZZ

### E-vehicle industry targets 10% of PUVs

The local electric vehicle (EV) industry is looking to replace 10 percent of the existing commercial fleet in the country with EVs within five years as it pushes for cleaner and more efficient mode of transport. During the consultations on EVs in the Joint Economic Conference held in Taipei recently, Juan presented before Taiwanese businessmen the prospects of EV commercialization in the Philippines. In a copy of the presentation sent to The Manila Times, EVAP said that of the 30,000 buses, 370, 000 jeepneys and 3.5 million tricycles registered in the country, 10 percent or 390,000 are targeted to be replaced with EVs within five years. (Manila Times)

### Lancer EX 1.6 sparks MMPC's phenomenal July sales

With the newly launched 1.6-liter version of the Lancer EX, Mitsubishi Motors Philippines Corp. may have finally found the right combination of what sparks Filipino interest into buying his first car, or a ride that could be a viable everyday transport. So far, MMPC already sold a total of 12,959 units from January to July, an impressive 31.3 percent increase for the first seven months of the year compared to the same period in 2011. With these numbers, Mitsubishi remains to be the second-best-selling brand in the country, cornering 18 percent of the market share (a 4.6-percent improvement to the market share attained during the same period last year). (The Philippine Star)



	Tuesday, September 4 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%

