

DASHBOARD

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MACROECONOMIC SNAPSHOT

10% export-growth target harder to hit

Increasing exports in terms of revenues by 10 percent this year is becoming more difficult due mainly to economic problems confronting the country's major markets and the appreciation of the peso, according to the Philippine Exporters Confederation Inc. (Philexport). But Philexport President Sergio R. Ortiz-Luis Jr. said exporters remain hopeful that sales would pick up in the third and fourth quarters of the year and pull up the country's export figures. Top export markets for January to June this year were Japan, which accounted for 16.4 percent of total shipments, followed by the United States, China and Singapore. (BusinessMirror)

2013 budget okayed by House panel

Next year's P2.006-trillion national budget was approved yesterday by the House appropriations committee, paving the way for its passage before the year as committed by Congress. House Speaker Feliciano "Sonny" R. Belmonte, Jr. said the panel had retained the full program proposed by Malacañang. "It will now be taken up in plenary on Monday," he said in a text message. The House of Representatives aims to approve and transmit the budget to the Senate by the second week of October. The Senate, meanwhile, has vowed to submit the budget to the Palace by the second week of December. (BusinessWorld)

PH growth seen to slow down in 2nd semester

The Philippines is likely to see a moderation in its growth in the second half after posting an above-target 6.1-percent economic expansion in the first six months due to the dampening effects of problems outside the country. This was the view of HSBC and Barclays, which both expected growth in the country's gross domestic product in the last two quarters of the year to be lower than the 6.3 percent registered in the first three months and the 5.9 percent posted in the second quarter. The eurozone, a major export market for Philippine-made goods, is in recession and has just received a warning from Moody's Investors Services on a potential downgrade in its triple-A credit rating within the short term. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Phl stocks ease ahead of European CB meeting

Local share prices eased in lackluster trading as investors stayed on the sidelines ahead of the meeting of the European Central Bank, analysts said. ECB president Mario Draghi is expected to reveal on Thursday the details of a new bond-buying program intended to bring down the high borrowing costs of Spain and Italy. The plan is reportedly expected to pledge an unlimited amount of bond purchases while offering no explicit target for where bond yields should be. At the Philippine Stock Exchange (PSE), the main composite index eased another 0.70 point to close at 5,150.11. (The Philippine Star)

Peso gains over Phils' improved ranking in competitiveness

The peso strengthened on Thursday following the release of a report showing that the Philippines significantly improved its ranking on global competitiveness amid a favorable economic performance and the government's promise of good governance. The local currency closed at its intraday high of 41.87 against the US dollar, up by 10.5 centavos from the previous day's finish of 41.975:\$1. (Philippine Daily Inquirer)

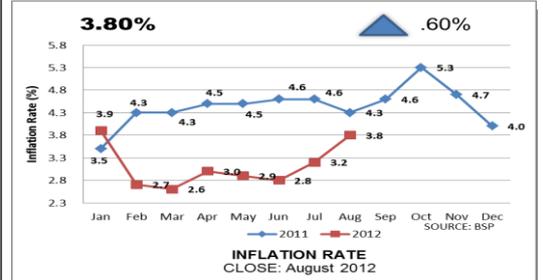
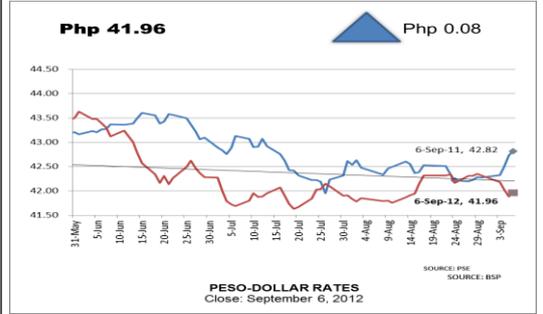
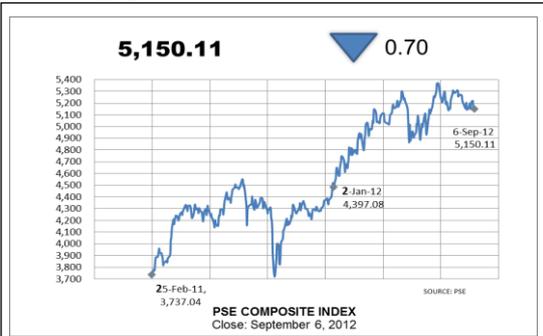
INDUSTRY BUZZ

More data on e-vehicles requested

The Tariff Commission wants additional data from electric vehicle manufacturers before determining any changes to tariffs for parts, the commission said in a hearing held yesterday. The commission is requesting the Electric Vehicles Association of the Philippines (EVAP) to give data on the importation of parts including the specific types of parts needed for assembly and where the parts are sourced. EVAP is seeking the drop in tariffs for motor parts assembly to 0% and the retention of the 30% tariff for completely-built up units of electric vehicles. (BusinessWorld)

China Slowing Auto Sales Still Eclipse U.S.-Japan-Germany

Three years ago, China passed the U.S. as the world's biggest car market. By 2015, it will likely exceed the U.S., Japan and Germany combined -- and that takes into account the current economic slowdown. While sales growth has stalled the past two years, high savings rates and pent-up demand mean Chinese consumers are expected to buy 25.5 million vehicles three years from now, according to the average forecast of IHS Automotive, Macquarie Equities Research and the Economist Intelligence Unit. Most of the new growth will come from less-developed central and western areas, such as the city of Chengdu, where global auto executives are gathering for an industry forum tomorrow. (BusinessMirror)



	Thursday, September 6 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	7.58%	7.61%	7.79%

