



DASHBOARD

Changing News. Your Guide.

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MACROECONOMIC SNAPSHOT

BSP maintains interest rates

The Bangko Sentral ng Pilipinas (BSP) kept its key policy rates steady as it noted that the recent rise in prices will be temporary and that inflation will continue to be manageable throughout the year. As a result, overnight borrowing and lending rates were kept at a record low of 3.75 percent and 5.75 percent, respectively. Interest rates charged for special deposit accounts – money parked in the Bangko Sentral ng Pilipinas (BSP) – were likewise maintained. BSP Deputy Governor Diwa Guinigundo said the central bank expects consumer prices to rise to 3.4 this year. Inflation reached its fastest pace in seven months at 3.8 percent last month as tightening food supply due to damages caused by monsoon rains increased prices for certain goods and services. (The Philippine Star)

Asean 75% ready for 2015 economic integration—report

This represents an advance from 67.5-percent implementation rate reported at the 43rd AEM in Indonesia in 2011. According to the Jakarta-based secretariat, key achievements that support this increased implementation rate include the implementation of the Asean Single Window (ASW) through the development of its new architecture and legal framework. The ASW, a unified customs system for the region, is seen as the cornerstone of the AEC and a test case on how practical the envisioned single economy may be. (Philippine Daily Inquirer)

Tax bureau starts VAT audits

The Bureau of Internal Revenue (BIR) has begun its nationwide value-added tax (VAT) audit program, initially examining the returns of taxpayers in Metro Manila. "The VAT audit program shall be initially implemented with a pilot roll-out in September 2012 in Revenue Regions Caloocan, Manila, Quezon City and Makati... Subsequently, this program shall be rolled out to other regional offices upon notification," Revenue Memorandum Order (RMO) 20, dated Sept. 5, states. The audit will cover VAT returns filed in the first half of 2012 and will continue every quarter thereafter, it explained. (BusinessWorld)

FINANCIAL TRENDS

Phi stocks climb ahead of US Fed meeting

Philippine stocks bucked the global downtrend with the main composite index rising by 33.4 points to settle at 5,240.5. The mining and oil counter rallied 471.52 points to close at 21,093.48, while the financial sub-index gained 14.65 points to settle at 1,332.64. Market breadth was positive with advancers beating decliners, 98 to 56, while 49 issues were unchanged. A total of 3.18 billion stocks worth P4.85 billion changed hands. (The Philippine Star)

Peso Continues Gains Against Dollar

The Philippine peso rallied for a fifth day yesterday, the longest run of gains in two months, before a central bank meeting today at which interest rates are forecast to be unchanged after three reductions this year. The peso advanced 0.3 percent to 41.465 per dollar as of 11:29 a.m. local time, data from Tullett Prebon Plc showed. It touched 41.445, the strongest level since April 2008. (Manila Bulletin)

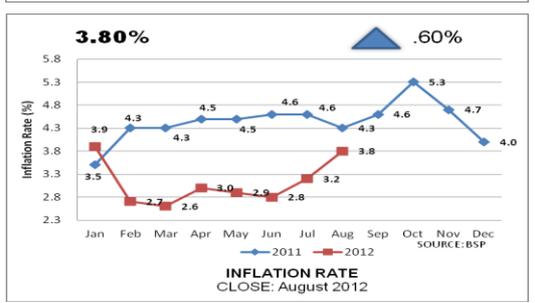
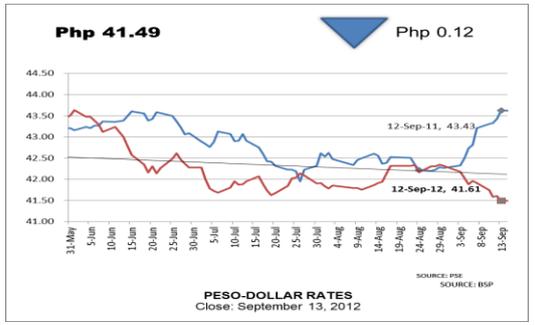
INDUSTRY BUZZ

Higher sales reported by auto importers

Automobile importers yesterday reported higher August sales, bucking an overall industry dip. The Association of Vehicle Importers and Distributors (AVID) said sales for the month totalled 1,858 units, up 1.8% from a year earlier. Taken with the Chamber of Automotive Manufacturers of the Philippines, Inc.'s (CAMPI) earlier report of a 1% drop to 11,351 units for August, total industry sales were down 1% to 13,209 units. For the eight-month period ending August, however, the automotive industry saw sales grow by 8.7% to 118,600 units, with AVID accounting for 19,875 units (up 24%) and CAMPI, 98,725 (up 6%). Industry officials remained confident for the rest of the year. Demand, said AVID President Ma. Fe Perez-Agudo, is expected to accelerate sales "now that the traditional season for OFW (overseas Filipino workers) remittances begins -- a trend that we expect to remain for the rest of the year." (BusinessWorld)

Mazda expects 33% drop in sales

Mazda Motor Corp. expects a 33-percent drop in sales in the country this year from a year ago as it focuses on the introduction of new vehicle models in 2013, a company executive said. Yuji Nakamine, director and senior managing executive officer of Mazda Motor Corp. told reporters on Wednesday night that they expect sales in the Philippines to reach 2,000 units this year, lower than the 3,000 units sold a year ago. (The Philippine Star)



	Thursday, September 13 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	7.56%	7.58%	7.79%

