

DASHBOARD

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MACROECONOMIC SNAPSHOT

More OFW families saving, says BSP

More Filipino households that depend on remittances from loved ones abroad are getting into the habit of saving. This was according to a recent Bangko Sentral ng Pilipinas survey, which showed that in the third quarter, 36.8 percent of remittance-dependent households said they had used a portion of their money to augment their savings. This was higher than the 35.5 percent registered in the third quarter of last year. The year-on-year increase in the number of remittance-dependent households that are saving part of the money they receive from abroad was attributed partly to rising incomes that allowed family members to save more, and to improved financial literacy among Filipinos. (Philippine Daily Inquirer)

Steady GDP growth for all of 2012 seen

The country's economy will remain healthy for the rest of the year, with full-year growth seen at 5.5 percent to 6 percent on the back of strong domestic consumption and continuous government spending, according to a report of a local think tank. First Metro Investment Corp. (FMIC) and University of Asia and the Pacific's (UA&P) Capital Market Research said the country's economy is vibrant despite the economic woes confronting the United States and Europe—two of the Philippines's major export markets. The think tank's projection for the country's economic growth for 2012 is consistent with that of the government's forecast of a 5-percent to 6-percent increase. (BusinessMirror)

Spending boost planned

A repeat of last year's spending "stimulus" is being planned by the Budget department, which wants to realign government agencies' unused funds for priority projects in the fourth quarter. "[A]nother Disbursement Acceleration Program (DAP) is planned for implementation this year, based on the extent of appropriations which remain unobligated to date," states a Budget department document, assessing its disbursement performance as of July, that was addressed to the Development Budget Coordination Committee (DBCC). State agencies will have until end-September to obligate their budgets, it explained. After that, the department will collect unused funds and reallocate them for other projects, subject to President Benigno S. C. Aquino III's approval. (BusinessWorld)

FINANCIAL TRENDS

Philippine stocks seen testing new highs

Local share prices could test record highs this week with momentum supported by the central bank's recent decision to keep rates at record lows to sustain economic growth. After ending the week at a five-week high, the benchmark Philippine Stock Exchange index is seen testing higher ground, also partially due to the coming fourth-quarter holiday season. The PSEi surged 2.33 percent week on week to close at 5,322.47 on Friday. (Philippine Daily Inquirer)

Peso expected to appreciate more

The peso might appreciate to as high as P41 to a dollar this week, with risk appetite to remain heightened after the Federal Reserve announced a new round of bond purchases to stimulate US growth and bring the country's unemployment rate lower. The local unit surged by 26 centavos last Friday to settle at P41.42 per dollar — a new four-year high — against its P41.68-per-dollar close a week ago. (BusinessWorld)

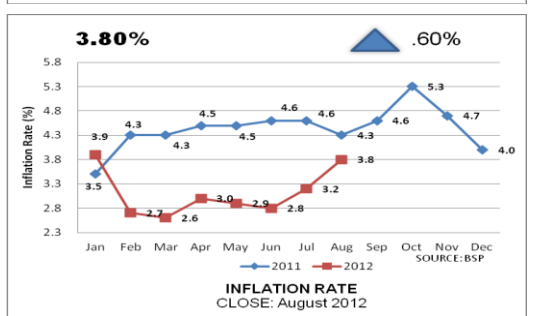
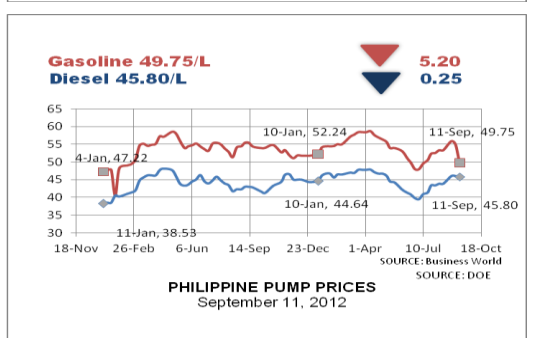
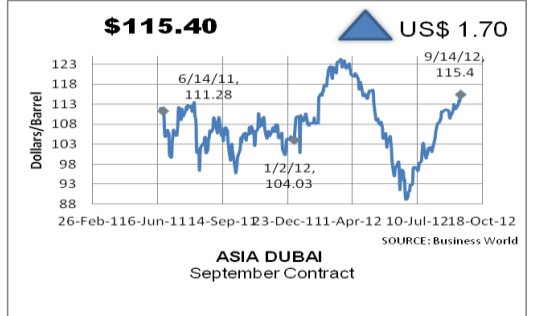
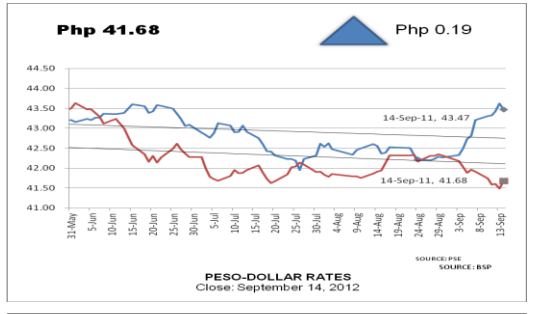
INDUSTRY BUZZ

Isuzu Philippines' sales grow 21%

Isuzu Philippines Corporation (IPC) continues to be one of the country's top sellers of commercial vehicles as it records 21% sales growth from January to August of this year compared to the company's total during the same period in 2011. Proving its dominance in the light-duty truck category, the Isuzu N-Series looks set to be the Philippines' bestselling model in the segment for a record 14 straight years as IPC sold 1,022 units of the vehicle for the first eight months. The total means that N-Series models have cornered a commanding 69% of the domestic market. (Manila Bulletin)

Honda bets on new hybrid to revive momentum

Initially tentative in embracing the technology, Honda believes it has found the right formula with a revamped version of its "one motor" hybrid system. "We believe we have reached a point with hybrid technology ... where we can provide game-changing technology and products," Ito told Reuters on Wednesday. "We believe that rivals will definitely follow us." Honda's new hybrid system will power the next generation of its cars and could be introduced in the remodelled Fit subcompact car by late 2013 in Japan, according to people close to the company. (BusinessWorld)



	Friday, September 14 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%

