



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### Phil targets 10-fold hike in IT revenues over 8 yrs

The Aquino administration has laid down the groundwork for the implementation of a roadmap for a 10-fold increase in revenues by the information technology and software industry over the next eight years. Department of Trade and Industry (DTI) Secretary Greg Domingo said in his keynote address during a economic forum sponsored by Philippine Development Foundation (PhilDev) entitled "Silicon Valley Comes to the Philippines" that the government hopes to raise the revenues of IT outsourcing to \$10 billion by 2020 from the current level of \$1 billion. Under the "Software 2020 Plan," Domingo said the industry accounted for about \$1 billion of the \$11 billion revenues booked by the information technology – business process outsourcing (IT-BPO) last year. (The Philippine Star)

### Philippine export growth seen to have accelerated

The year-on-year growth in the value of Philippine exports is expected to have hit double digits at 10.2 percent in August as non-electronics shipments continued to cushion the slump in electronics, according to DBS Group. The financial services provider said in a research note that a double-digit rise in exports would have come after two months of single-digit increases and after a single-digit average for January-July. The National Statistics Office is scheduled to release official export data on October 10. The group observed that Philippine exports have been hovering at around \$4.5 billion since February this year, which it said was possible only because of the sustained increase in non-electronics manufactures such as machinery and transport equipment. (Philippine Daily Inquirer)

### Peace deal to boost growth

A peace pact between the national government and the Moro Islamic Liberation Front (MILF) will boost public and private investment in the Philippines and support economic growth, Fitch Ratings yesterday said. The credit rater warned, though, that other constraints such as a weak investment climate and a low revenue base had to be addressed if Mindanao was to expand as a region. The government moved one step closer to a final peace deal on Sunday as it unveiled a new framework that is expected to lead to the Bangsamoro region's creation, replacing what is now known as the Autonomous Region in Muslim Mindanao (ARMM). (BusinessWorld)

## FINANCIAL TRENDS

### Stocks retreat to 5,300 zone

Stocks retreated to the 5,300 territory as investors refrained from making purchases to wait for prices to correct, at the same time that International Monetary Fund (IMF) growth forecast cuts created market uncertainty. The Philippine Stock Exchange index (PSEi) fell by 0.72% or 39.23 points to close at 5,394.90, while the broader all-share index dipped by 0.66% or 23.54 points to 3,567.26. (BusinessWorld)

### Peso hardly moves due to global concerns

The peso moved sideways on Tuesday as investors weighed concerns over a weak global economy and speculations that Asian central banks will inject more liquidity in their economies to boost growth. The local currency closed at 41.46 against the US dollar, up by just one centavo from the previous day's finish of 41.47:\$1. (The Philippine Star)

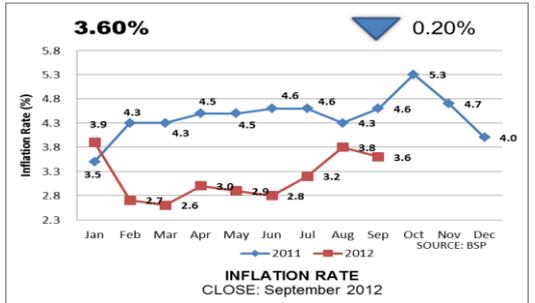
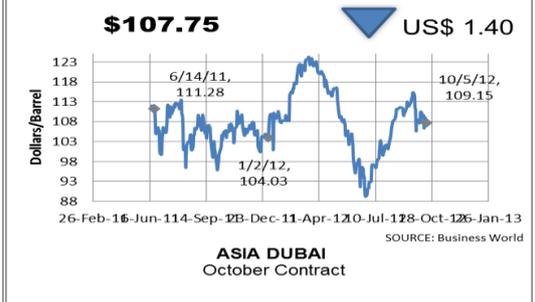
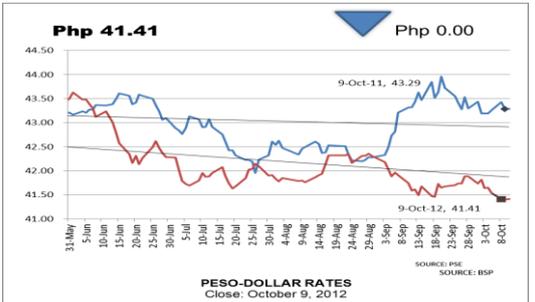
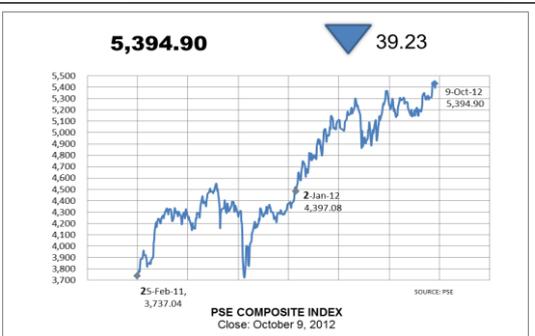
## INDUSTRY BUZZ

### Korean Automakers Thrive in China as Japan Car Sales

Hyundai Motor Co. and affiliate Kia Motors Corp. forecast sales in China will exceed their targets as South Korea's two largest carmakers benefit from a wave of anti-Japan protests in the world's largest vehicle market. The two carmakers will probably sell more vehicles in 2012 than the 1.25 million they had projected, Seoul-based Hyundai Motor said in a statement yesterday. Combined deliveries rose to 127,827 units last month, or 9.5 percent higher than the previous record set a year earlier, it said. (BusinessMirror)

### Ford posts best monthly sales

Ford Philippines today reported its best monthly performance of the year, with September retail sales jumped 68 percent from the previous month to 964 units - representing one of the company's all-time highest sales months in the Philippines. September sales were given an extra boost with the first full month of availability for all four newly launched Ford vehicles in the Philippines, including the all-new Ranger, the all-new Explorer with EcoBoost, all-new Focus and the iconic Mustang sports car. (Malaya Business Insight)



	Tuesday, October 9 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	0.75%	2.15%	3.85%
Lending Rates	7.44%	7.45%	7.79%

