



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### PH still doing good in exports

Despite the 9-percent drop in the value of exports in August, the National Economic and Development Authority (NEDA) revealed that the Philippines is among the few economies among selected Asian countries that registered positive exports growth in the first eight months of 2012. In a statement on Thursday, NEDA said that the country's merchandise exports for the first eight months of this year grew by 5.4 percent to \$35.3 billion from \$33.5 billion of the same period in 2011. According to NEDA officer in charge Emmanuel Esguerra, country data suggested that the Philippines is next only to Vietnam and China, which posted 18.7-percent and 7.1-percent growths, respectively, for the said period. (Manila Times)

### Hot money hits \$407 M in Sept

New monetary stimulus unveiled in developed markets last September drove investor confidence in risky assets such as portfolio investments in the Philippines, which soared 172 percent last month, the Bangko Sentral ng Pilipinas (BSP) reported yesterday. Also called "hot money" for the ease they enter and exit economies, portfolio investments posted a net inflow of \$407.42 million in September, more than double the previous year's \$150.05 million. The result was "due to encouraging news about the European Central Bank's plan to buy bonds of distressed euro zone economies and Spain's announced cuts to its budget as well as the United States Federal Reserve's third round of bond purchases," a statement from the BSP said. Despite the increase last month, hot money went down by nearly 30 percent as of the third quarter, registering a net inflow of \$2.628 billion against previous year's \$3.210 billion, data showed. (The Philippine Star)

### Gov't debt surges to P5.1T in August

The national government debt reached P5.181 trillion as of August this year 2012, higher by P24.45 billion from end-July 2012 level. Data from the Bureau of Treasury showed that of the total debt of P2.045 trillion, or 39.48 percent is owed to foreign creditors, and P3.135 trillion or 60.52 percent to domestic creditors. It said that foreign debt increased by P6.21 billion from the end-July 2012 level because of the P14.58 billion depreciation of the local currency against the US dollar. This, however, was partially offset by the P1.98-billion net depreciation of third currencies against the US dollar and net repayment of P6.39 billion. (Manila Times)

## FINANCIAL TRENDS

### Philippine stocks may firm up

After last week's correction, the local stocks index may firm up and retest the 5,400 mark this week while investors await fresh incentives to load up on equities now that shares are trading at record levels. The main index last Friday gave up 70.12 points, or 1.3 percent, to end at 5,369.72, weighed down by global growth concerns. (Philippine Daily Inquirer)

### P/\$ Rate stands at P41.43/\$1

The peso exchange rate stands at P41.43 to the US dollar, the closing rate last Friday at the Philippine Dealing and Exchange Corp. (PDEX). The weighted average stands at P41.476 (The Philippine Star)

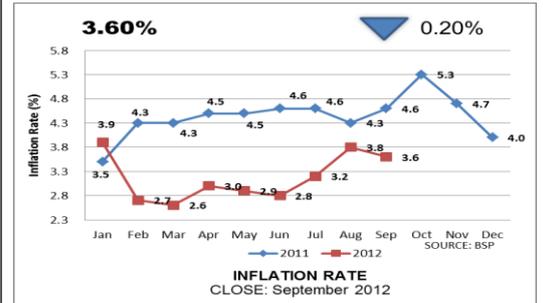
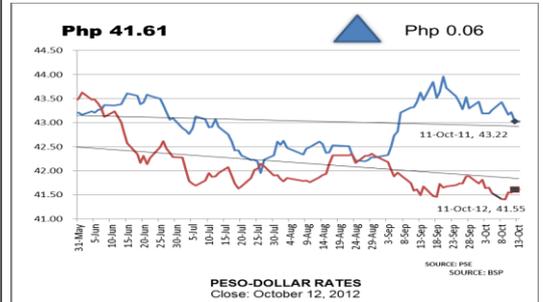
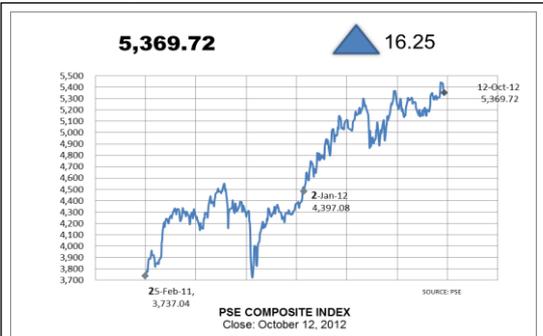
## INDUSTRY BUZZ

### Hyundai sales up 15% Drop

Vehicle sales of Hyundai Asia Resources Inc. (HARI) from January to September this year went up 15 percent from a year ago mainly due to the increase in purchases of passenger cars (PC). In a statement yesterday, HARI said it sold 17,156 units as of end-September compared to the 14,883 units sold in the same period last year. HARI attributed the positive performance to its impressive sales of PC models which grew 48 percent to 10,652 units versus the 7,217 units sold in the same period last year. (The Philippine Star)

### Isuzu fights off plant closure issue

Amid steady sales in the provincial market, the country's "diesel authority" Isuzu Philippines Corporation (IPC) is fighting off rumors of a plant closure. The nasty buzz stemmed from the request of the local automotive industry to address the high manufacturing cost and provide tax breaks assistance to further ease production complexities and eventually make the domestic automotive sector competitive in the ASEAN region. "The Philippine automotive industry is facing multitudes of challenges in sustaining manufacturing, primarily with the production cost. As such, an incentive grant from the government would be a welcome move," states Art Balmadrid, EVP for Business Development of IPC. (Manila Standard Today)



	Friday, October 12 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	0.71%	2.15%	3.85%
Lending Rates	7.44%	7.45%	7.79%

