

# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### Phi slips to 138th in ease of doing business - survey

The Philippines further slipped in the latest global ranking on doing business as it failed to improve on most of the processes outlined in the survey. In the Doing Business 2013 report released by the World Bank and the International Finance Corp. (IFC), the Philippines fell two more notches to 138th, from 136th and 134th in the 2012 and 2011 editions, respectively. The survey covers 10 basic processes: starting a business; dealing with construction permits; getting electricity; registering property; getting credit; protecting investors; paying taxes; trading across borders; enforcing contracts; and resolving insolvency. The report noted that the Philippines failed to improve in seven categories, moving up only in dealing with construction permits, resolving insolvency and trading across borders. (The Philippine Star)

### Inflation seen averaging 3.9%

The increase in the prices of consumer goods in the Philippines is expected to remain stable for the remainder of the year and is seen to average 3.9 percent, according to the International Institute of Finance. The Washington DC-based think tank said inflation in the Philippines was expected to ease further to 3.3 percent in 2013. Data from the National Statistics Office showed that inflation as of September averaged 3.6 percent. In a research not on emerging Asian economies, the IIF also said the Philippine economy was expected to grow faster next year at 6.5 percent than the projected 5.7 percent this year. The IIF's 2012 economic growth forecast for the Philippines is higher than the International Monetary Fund's 4.8 percent, World Bank's 5 percent and Asian Development Bank's 5.5 percent. (Philippine Daily Inquirer)

### External debt servicing declines 12%

The country's external debt servicing as of end-July was lower by 11.9 percent to \$3.8 billion compared to the same period in 2011 of \$4.3 billion, the Bangko Sentral ng Pilipinas (BSP) disclosed in its latest foreign loans data. The data is shown as debt service burden which is the principal and interest payments on fixed medium and long-term loans. It also includes banks and non-banks' interest payments on fixed and revolving short-term credits. Of the \$3.8 billion amount, principal payments totaled \$2 billion while interest costs reached \$1.77 billion. Compared to the same period last year, principal payments decreased 25 percent while interest payments increased 9.13 percent. (Manila Bulletin)

## FINANCIAL TRENDS

### Local shares close 0.62 down

Local shares closed lower yesterday as some investors took profit following Tuesday's sharp decline in US equities. The benchmark Philippine Stock Exchange index (PSEi) ended 33.63 points or 0.62 points down at 5398.69, with all sub-indices in the red. Volume was moderate. A total of 5.579 billion shares valued at P5.67 billion were traded with 120 issues declining, 43 losing and 42 unchanged. (Manila Bulletin)

### Peso tumbles to P41.36:\$1 on risk aversion

Risk aversion amid weak US corporate earnings weighed on the peso yesterday. After strengthening by seven-and-a-half centavos last Tuesday, the local unit dropped four-and-a-half centavos to settle at P41.36 per dollar. (BusinessWorld)

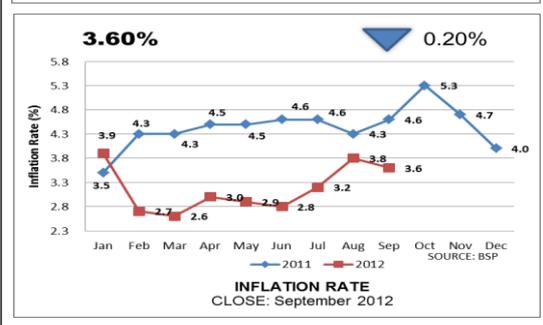
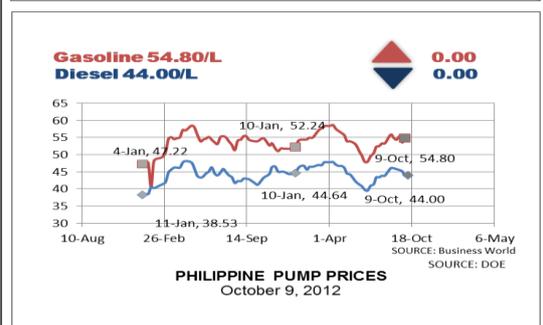
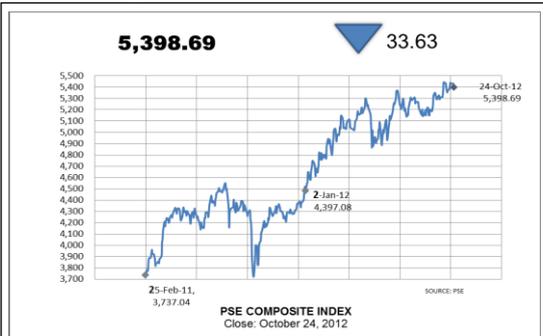
## INDUSTRY BUZZ

### Volkswagen, Ayala ink car dealership partnership

European car giant Volkswagen AG has engaged the diversified Ayala group into a new car distribution partnership, seeking to harness an increasing consumer affluence in the country as part of its ambition towards global leadership. Volkswagen, which is headquartered in Wolfsburg, Germany, announced on Wednesday the appointment of Ayala's wholly-owned subsidiary, Ayala Automotive Holdings Corp., as the Philippine distributor for Volkswagen passenger vehicles. (Philippine Daily Inquirer)

### Toyota Motor Philippines posts 22% growth in September

Based on the most recent CAMPI report, Toyota Motor Philippines (TMP) posted 22 percent growth in September. The manufacturer registered total sales of 5,786 units as compared to 4,725 units during the previous month. During this time, Toyota increased its share by 4 points garnering almost half of the total market at 45 percent. On a year to date basis, TMP is on track to win its 11th consecutive triple crown retaining the no.1 spot across all segments with 44.3 percent market share in the passenger car (PC) segment and 40 percent share in the commercial vehicle (CV) segment. All in all, the manufacturer tallied a total of 46,169 units with 41 percent market share. (The Philippine Star)



	Wednesday, October 24 2012	Last Week	Year ago
Overnight Lending, RP	5.75%	5.75%	6.50%
Overnight Borrowing, RRP	3.75%	3.75%	4.50%
91 day T Bill Rates	0.71%	0.71%	3.85%
Lending Rates	7.62%	7.56%	7.79%

