

DASHBOARD

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MACROECONOMIC SNAPSHOT

BIR eyes P1-trillion collection

The Bureau of Internal Revenue (BIR), which accounts for 70 percent of total government revenues, will easily be able to collect at least P1 trillion this year, the first time in the 108-year history of the bureau. BIR Commissioner Kim Henares said hitting the P1-trillion level in collections is almost a done deal but hitting the actual revenue target of P1.066 trillion remains to be seen. "We will not have a problem hitting P1 trillion and we will work hard to achieve the P1.066-trillion target," Henares told reporters yesterday. She said that some initiatives put in the place by the bureau have been paying off and could help the agency achieve the target. The newly launched VAT Audit Program of the BIR, for instance, has been effective, Henares said. (The Philippine Star)

FDI higher but country still behind

The Philippines continues to lag behind its ASEAN neighbors in terms of foreign direct investments (FDI) even as it saw an increase in the first half of 2012, the United Nations Conference on Trade and Development (UNCTAD) said last Wednesday. FDI totaled \$900 million for January to June, 12.5% up from the comparable 2011 period. It was small, however, compared with Singapore, which had the highest FDI in the region at \$27.4 billion, or Indonesia (\$8.2 billion), Thailand (\$5.6 billion) and Malaysia (\$4.4 billion). Overall, Southeast Asia saw a 5% decrease in FDI flows to \$52 billion, the UNCTAD noted, but the Philippines -- along with Cambodia and Thailand -- bucked the regional result. (BusinessWorld)

Gov't incurs P34.854-billion budget deficit in September

The government incurred a budget deficit of P34.854 billion in September, bringing the nine-month total to P106.062 billion, lower than program. The January to September deficit was 42 percent or P77.281 billion below the government's programmed deficit ceiling of P183.343 billion for the period. Finance Secretary Cesar Purisima said the improvement in collections by the country's tax agencies "generated fiscal space" for government. "Our aggressive efforts to improve tax compliance have consistently generated fiscal space to provide funding for the Aquino administration's spending priorities," he said. (The Philippine Star)

FINANCIAL TRENDS

Narrow band seen for trades

Stocks are expected to move within a narrow range this week and possibly close lower in the face of poor corporate earnings in the United States and a trading period that will be cut short by two non-working holidays declared by Malacañang. The Philippine Stock Exchange index (PSEi) slipped 0.50% to 5,405.16 last Thursday from 5,432.36 two Fridays ago, while the broader all-share index declined 0.55% to 3,575.42 from 3,595.15. (BusinessWorld)

P/\$ rate stands at P41.21/\$1

The peso exchange rate stands at P41.21 to the US dollar, the closing rate last Thursday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P41.30. (Manila Bulletin)

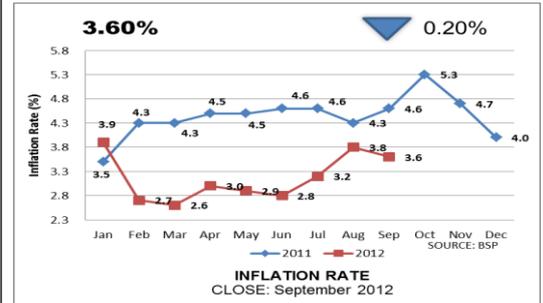
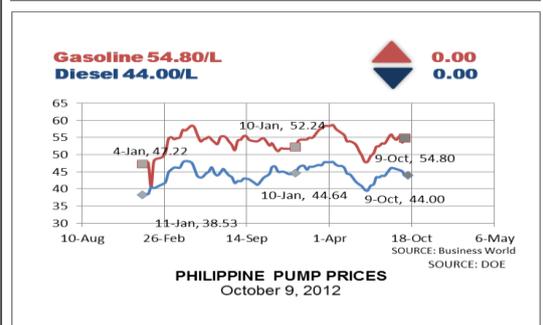
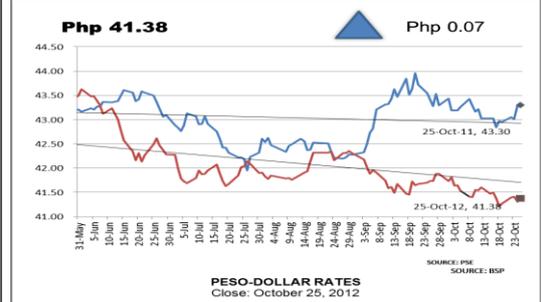
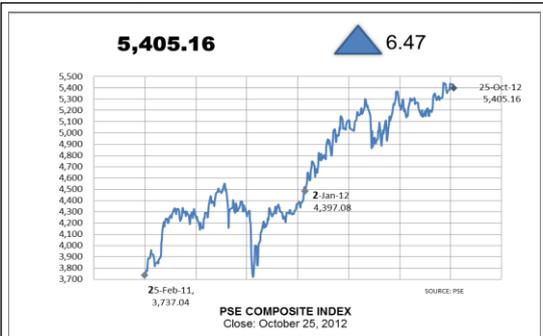
INDUSTRY BUZZ

Mitsubishi offer advance preview of all-new Mirage

Starting Oct. 19, 2012, the all-new Mitsubishi Mirage will be displayed at selected dealerships nationwide after Mitsubishi Motors Philippines Corp. (MMPC) announced the much-awaited arrival of the first batch of the sub-compact passenger car. Customers who were not able to catch a glimpse of the all-new Mirage during its sneak preview at the 4th Philippine International Motor Show and during the road tour will now have all the opportunity to view and inspect the car. The all-new Mirage is MMPC's entry to the sub-compact passenger car segment. The Mirage will be available in GLX and GLS variants, with both 5-speed manual and continuously variable transmissions to choose from. (Philippine Daily Inquirer)

Chery Motors expands PH operations

Chery Motors Philippines, a China-based automotive company, is aiming to be known as the people's car in the Philippines and eyeing to corner two percent of the market share on sedans by 2014. Dr. Si Chung Chang, chief executive director of Chery Motors Philippines Inc., the sole distributor of Chery Automobiles Ltd. from China—said that they are looking forward to expanding operations by putting up 30 dealerships in the country. Chery already has eight active dealerships. Chang said that they plan to establish 15 more by next year. He added that when they have opened 30 dealerships, the company expects each outlet to sell five Chery vehicles every month. (Manila Times)



	Thursday, October 25 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	7.53%	7.60%	7.79%

