

DASHBOARD

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MACROECONOMIC SNAPSHOT

Economy likely slowed in third quarter

Economic growth likely slowed in the third quarter due to weather disturbances but is expected to bounce back in the last quarter due to higher government spending, First Metro Investment Corp. (FMIC) and the University of Asia and the Pacific (UA&P) said. "The prolonged negative impact of the heavy rains and floods in August will certainly result in a slightly slower GDP (gross domestic product) growth in Q3, but a strong recovery is expected in Q4, as the National Government plans to accelerate infrastructure and other capital outlays, and private firms are reporting slightly better-than-expected earnings in Q3," FMIC and UA&P said in the November issue of their joint publication, "Market Call," which was released yesterday. (BusinessWorld)

Employment rate improves to 93.6%

The country's employment rate slightly improved to 93.6 percent, with the services sector providing more than half of the jobs, the latest report of the National Statistics Office (NSO) said. Also, 16 percent of the total employed were males in the age group of 25 to 34 years. Of the 21 million Filipinos who did not join the labor force, the NSO said 71.1 percent were women. Region 4B, or Mimaropa, registered the highest LFPR at 71.8, while the Autonomous Region in Muslim Mindanao (ARMM) posted the lowest LFPR at 57.1 percent. With less people joining the labor force in ARMM, it posted the highest employment rate in the country at 97.7 percent. The National Capital Region (NCR), meanwhile, had the lowest employment rate at 89.6 percent. The agriculture sector provided jobs to 33.4 percent of the total employed, with industry sector employing the remainder. (BusinessMirror)

Asian markets mostly up after recent losses

Asian shares mostly rose on Wednesday as bargain hunters moved in after a recent sell-off fuelled by concerns over Greece's debt woes and the US fiscal cliff. The euro, which sank to a two-month low against the dollar in Europe on Tuesday, edged up against the greenback and yen. Regional markets have suffered big losses since last week's re-election of US President Barack Obama, with dealers fearing a stand-off in Congress in addressing the fiscal cliff of tax hikes and spending cuts that are due to come in on January 1. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Local shares end 0.66% down

Local shares extend their retreat yesterday, weighed by sharp declines of US stocks Wednesday. The benchmark Philippine Stock Exchange index (PSEi) fell 36.27 points or 0.66% to 5414.82, with all the sub-indexes in the red. The volume was moderate. A total of 3.16 billion shares valued at P6.46 billion changed hands. Losers outnumbered gainers 117-51 with 42 issues unchanged. (Manila Bulletin)

P/\$ rate stands at P41.12/\$1

The peso exchange rate stands at P41.12 to the US dollar, the closing rate on Wednesday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P41.112. (Manila Bulletin)

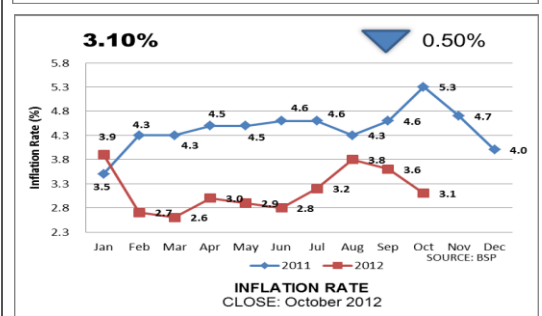
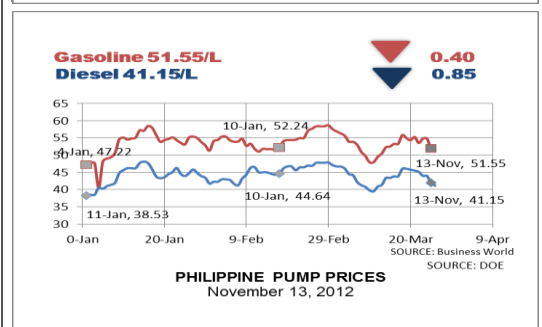
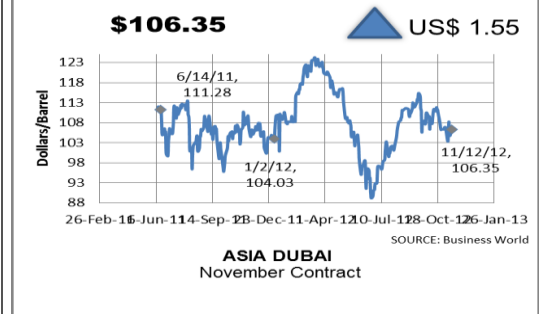
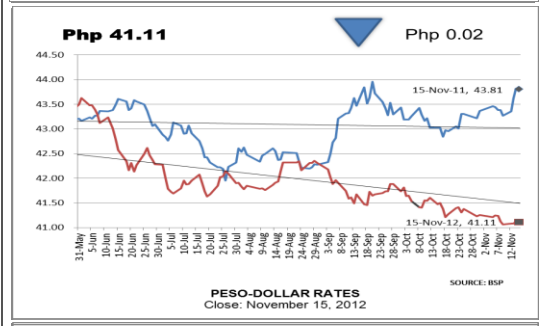
INDUSTRY BUZZ

Toyota recalls 2.77-M vehicles worldwide

Toyota on Wednesday, November 14, announced a global recall of 2.77 million vehicles over water pump or steering problems, in the latest blow to the firm's reputation after a spate of earlier call backs. Japan's biggest automaker said there were no reported injuries or accidents, but it had received about 400 complaints in Japan over the pump issue and a handful about the steering problem. Toyota's latest call back involves a number of vehicles manufactured between August 2000 and December 2011, including its popular Prius hybrid, which suffered from one or both of the defects, it said. (BusinessWorld)

VW bests rivals in a Europe of haves and have-nots

As cratering car sales in Europe ravage companies such as Fiat, General Motors Co.'s Opel and PSA Peugeot Citroën SA, their big German rival is parlaying the region's sovereign-debt woes into a market-share coup. Its unexpected weapon: cheap car loans, fueled in no small part by the economic chasm between financially robust Germany and its beleaguered southern neighbors. The aggressive financing, which has helped Volkswagen lift its share of Western Europe's car market to nearly a quarter from 20% when the debt crisis erupted three years ago, shows how the crisis is re-carving the continent's corporate landscape. Volkswagen's borrowing costs have narrowed to a third of those at competitors such as Fiat and Peugeot in recent bond sales. (Wall Street Journal)



| | Thursday, 15 November 2012 | Last Week | Year ago |
|--------------------------|----------------------------|-----------|----------|
| Overnight Lending, RP | 5.50% | 5.50% | 6.50% |
| Overnight Borrowing, RRP | 3.50% | 3.50% | 4.50% |
| 91 day T Bill Rates | 0.15% | 0.46% | 3.85% |
| Lending Rates | 7.54% | 7.50% | 7.79% |

