



	Thursday, 29 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%	0.15%	3.85%
Lending Rates	7.50%	7.53%	7.79%

MACROECONOMIC SNAPSHOT

Foreigners upgrade outlook on PH

After a surprising 7.1-percent third-quarter economic growth, more international institutions have upgraded their economic outlook on the Philippines to factor in a stronger-than-expected economic momentum. In a research note, ING Philippines economist Joey Cuyegkeng said growth in the fourth quarter would likely be higher at 6 percent compared to an earlier expectation of 5.6 percent, bringing full-year growth to 6.3 percent. ING was previously expecting a full-year 2012 growth of only 5.9 percent for the Philippines. London-based think tank Capital Economics also expected the Philippine economy to expand by 6.3 percent this year, upgrading its outlook from the previous forecast of 5 percent. (Philippine Daily Inquirer)

Slight inflation rise seen

Inflation may have picked up slightly in November, analysts said, amid broadly stable food and fuel prices and a stronger peso. The median forecast among nine economists and bankers was 3.15%, within the central bank's 2.7-3.6% estimate and just a tad up from October's 3.12%. November data is scheduled to be released this Wednesday. (BusinessWorld)

Oil imports down 10% in Jan-Sept

The country's oil imports declined by roughly 10 percent in the first nine months of the year, driven by the drop in gasoline and liquefied petroleum gas (LPG) shipments. Middle East remained the top source of crude oil imports, data from the Department of Energy (DOE) showed. The DOE said total fuel products sourced abroad hit 41.699 million barrels in the nine-month period, down 9.48 percent from 46.066 million barrels a year ago. Diesel oil, which accounted for the bulk of the fuel imports, inched up to 18,429 from 18,370 last year. (The Philippine Star)

FINANCIAL TRENDS

Stocks seen to resume winning ways this week

Local stocks may continue their winning ways this week amid upbeat reports on the US economy and consumer confidence as well as hopes that the US is making progress in the discussions over the budget to prevent its economy from going into a tailspin. The Philippine Stock Exchange index reached multiple highs last week to close 1.6 percent or 88 points higher at 5,640.45 as investors loaded up on stocks in the financial services, property, and holdings sectors and a rosy local economy. (The Philippine Star)

P/\$ rate stands at P40.90/\$1

The peso exchange rate stands at P40.90 to the US dollar, the closing rate last Thursday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P40.889. (Manila Bulletin)

INDUSTRY BUZZ

Ford recalls Escapes, Fusions for engine fire risk

Ford Motor Co. said Friday that it is recalling more than 89,000 new Escape SUVs and Fusion sedans because the engines can overheat and cause fires. The recall affects vehicles from the 2013 model year with 1.6-liter engines that were sold in the U.S. and Canada, the company said in a statement. Ford says it's working on a fix and is asking owners to contact dealers, who will arrange for loaner cars at no charge until the repairs are made. The company says the engines can catch fire when they overheat and fluids leak onto hot parts. It was unclear exactly what caused the engines to overheat. (Philippine Daily Inquirer)

Honda tries to regain its stride with upgraded Civic

Honda Motor Co introduced its redesigned Civic sedan only a year-and-a-half after a major model change of the best-selling compact car in the United States. Sales of the new Civic, a 2013 model, will start this week and the refreshed car was shown off on Thursday at the LA Auto Show. Even Honda admits that the 2012 Civic, introduced in the spring of 2011, missed the mark. For a company that prides itself on rock-solid reliability, it was a shock last summer when influential Consumer Reports ranked the Civic dead last in a field of 12 compact sedans it tested. Honda produced a Civic that is upgraded inside and out, featuring a sleeker look, better quality interiors and improved steering feel and a rear view camera that comes standard, said John Mendel, executive vice president of sales for American Honda. (BusinessWorld)

