



MACROECONOMIC SNAPSHOT

Exporters keep 9-10% growth target

Exporters are keeping their growth targets for this year and next year despite the government's move to cut exports' growth projections. In a phone interview, Sergio Ortiz-Luis, Jr., president of the Philippine Exporters Confederation and private sector vice chairman of the Export Development Council (EDC) said they are sticking to their exports' growth goals for this year and for 2013 even as the government revised its projections. He added that the targets under the Export Development Plan are still their official targets. Under the Export Development Plan, exports are targeted to grow by 9 to 10 percent this year, and by 11 percent starting next year to hit \$120 billion in 2016. (The Philippine Star)

'Hot' money keeps flowing to Philippines

Investors continue to pour money into the Philippines in the form of portfolio investments no matter that such, also called "hot" or speculative money, slowed by 16 percent to only \$3.16 billion on net basis as of mid-November. In the week ending November 30, the bulk or 52 percent of transactions at the PSE was foreign, consisting of net sales of P728.45 million as foreign funds cashed in on their holdings for repatriation to principals abroad. Data from the Bangko Sentral ng Pilipinas (BSP) show gross hot-money inflows of \$15.77 billion in the first 46 weeks, up 6.1 percent from last year's \$14.85 billion. (BusinessMirror)

Phl is Asia's new tiger economy - Salceda

The Philippine economy posted an unprecedented 7.1-percent growth during the third quarter of this year, so far the highest in the ASEAN, a sign it has become a new tiger economy in Asia, according to Albay Gov. Joey Salceda, a noted economist. Salceda, a former economic adviser to Philippine presidents, was quoting a news release from Jose Ramon G. Albert, secretary general of the National Statistics Coordination Board (NSCB), saying the "domestic economy accelerated for the third quarter to 7.1 percent this year from the 3.2 percent last year." Salceda, often referred to as the 'Green Economist' who had been a financial analyst before joining politics, said the third quarter "is a defining moment in our economic history and we can truly assert that the Philippines has become a tiger economy of Asia." (The Philippine Star)

FINANCIAL TRENDS

P.S.E.I. registers record high anew

Local shares overcame profit taking in the early hours and closed at another record high yesterday. The benchmark Philippine Stock Exchange index (PSEI) advanced 32.25 points or 0.57 percent at 5,562.70 - an all-time record. A total of 2.36 billion shares valued at P10.7 billion changed hands with 79 issues advancing, 75 retreating and 41 issued unchanged. (Manila Bulletin)

Peso slightly up

The peso moved sideways as investors weighed reports about a pickup in manufacturing in China and lingering concerns about budget problems of the US government. The local currency closed at 40.88 against the US dollar, up by 2 centavos from Friday's finish of 40.90:\$1. (Philippine Daily Inquirer)

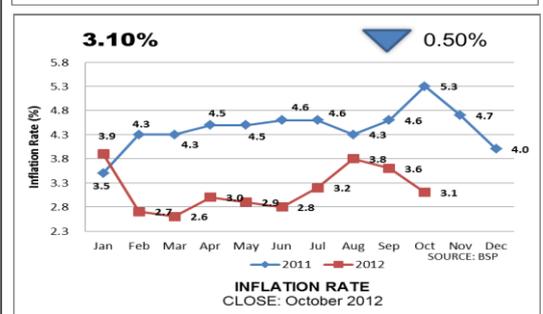
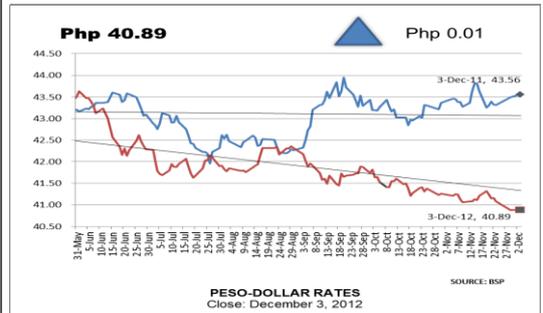
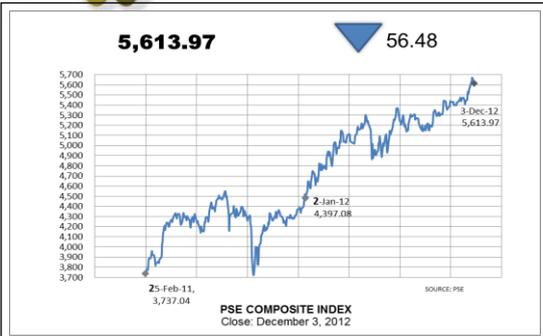
INDUSTRY BUZZ

Subaru Philippines bullish on sales

Motor image Pilipinas, Inc. (Subaru Philippines), exclusive distributor of Subaru vehicles in the Philippines, aims to grow its full-year sales by 70% from 2011, driven by strong sales performance of its XV and Forester models and the improving consumer sentiment in the country, a top company official said last week. "Our expected growth is about 70% sales growth versus last year, which is approximately 1,700-plus cars for the whole year from 1,000-plus cars last year," Michael Ramon B. Luyun, Subaru Philippines general manager, said in an interview on the sidelines of the Subaru BRZ launch at White Space in Makati City on Wednesday last week. (BusinessWorld)

Auto makers in India report mixed results

Car makers in India had a mixed sales performance in November, with Maruti Suzuki India Ltd., Mahindra & Mahindra Ltd. and Ford Motor Co. posting growth, while Hyundai Motor Co., Toyota Motor Corp. and Tata Motors Ltd. recorded declines. In the two-wheeler segment, sales at Yamaha Motor Co., Suzuki Motor Corp. and Honda Motor Co. increased, but TVS Motor Co. reported a drop. Vehicle sales in India have been on a downward trend this year, mainly because of higher loan rates, rising fuel prices and fears of job losses in a slowing economy. (Wall Street Journal)



	Monday, 3 December 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	0.20%	0.15%	3.85%
Lending Rates	7.57%	7.53%	7.79%

