



MACROECONOMIC SNAPSHOT

Inflation dips to 8-month low of 2.8%

Consumer prices eased to 2.8 percent in November, the slowest since March this year due to sufficient supply of agriculture and fish products and lower domestic petroleum prices, the National Statistics Office (NSO) reported yesterday. "The abundant supply of agriculture and fishery products in November 2012 resulted in greater annual reductions in the prices of various food items compared to the previous month," National Economic and Development Authority (NEDA) officer-in-charge Rolando Tungpalan said. The November figure fell within the 2.7-percent to 3.6-percent forecast range by the Bangko Sentral ng Pilipinas (BSP), which yesterday said policy rates remained appropriate for the economy, ahead of its policy meeting next week. (The Philippine Star)

East Asia may expect substantial rise in FDIs

The Philippines and its neighbors may expect a rise in foreign direct investments over the next two years as the Asia-Pacific becomes the preferred business destination due to the positive outlook on the economies in the region, according to Multilateral Investment Guarantee Agency (MIGA). In its latest report, Miga said the Philippines would corner much more job-generating investments that could lift more people out of poverty. It projected that total FDIs to developing countries would reach \$697 billion next year—up by 17 percent from the estimated \$594 billion this year. (Philippine Daily Inquirer)

China's economy may grow 8.2% percent in 2013

China's economic growth may quicken to 8.2 percent in 2013 from an expected 7.7 percent this year in response to official growth-promoting policies, but downside risk remains from global uncertainties, the Chinese Academy of Social Sciences (CASS) said on Wednesday. The country's top think tank said in its "blue book" report on China's economy that Beijing should boost budgetary help to the economy by borrowing and spending more, and cutting taxes that hinder economic efficiency. (The Philippine Star)

FINANCIAL TRENDS

PSEi breaks record for 35th time

Local share prices surged to its 35th record close this year yesterday, defying expectation of a correction, after overseas investors made the biggest purchases of the nation's equities in two weeks amid speculation the central bank will keep borrowing costs low. The Philippine Stock Exchange Index climbed 75.92 points or 1.33 percent, the most since September 14, 2012, to 5,763.64 after pausing for a mild correction the previous session. (Manila Bulletin)

P/\$ rate closes at P40.965/\$1

The peso exchange rate closed lower at P40.965 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P40.85 the previous day. The weighted average rate depreciated to P40.915 from P40.862. Total volume amounted to \$676.4 million. (Manila Bulletin)

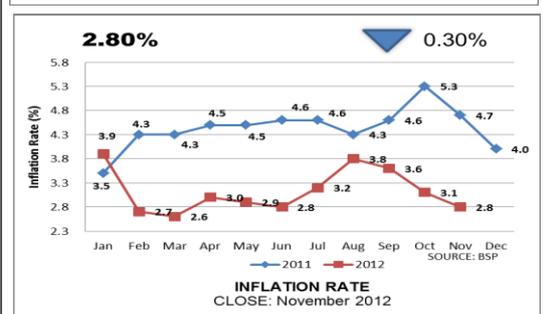
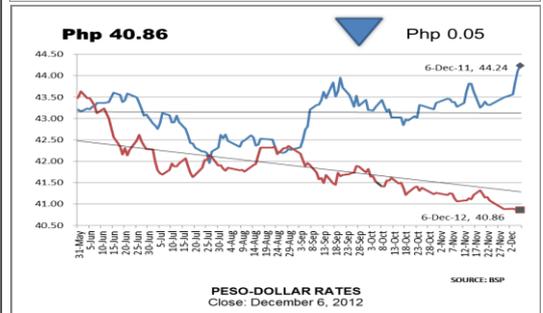
INDUSTRY BUZZ

Recovery eyed after sales slip

The local unit of Japanese automotive giant Honda Motor Co. Ltd. sold 10,419 units as of October, 5.2% less than the 10,991 recorded in the same 10 months last year, Tolio V. Enderez, the local unit's Product Planning Group head, told reporters. Company officials blamed the drop on Thailand's floods late last year that damaged the Japanese carmaker's factory there. The same officials, however, said November should reflect some recovery. Honda Philippines President and General Manager Tatsuya Natsume said the new variants of CR-V, which were unveiled yesterday, are expected to boost the company's sales. Yesterday, the company unveiled three new CR-V models, namely: 2.0V Manual Transmission (MT) and Automatic Transmission (AT), 2.0S AT, and 2.4SX which will add to the existing roster of 2.0LX AT and 2.4EX. (BusinessWorld)

Mazda CX-5 wins Car of the Year Japan

Mazda Motor Corporation's compact crossover SUV, the CX-5 has been named the 2012-2013 Car of the Year Japan. The award was announced by the Japan Car of the Year committee on November 29, 2012. Executive Officer Kiyoshi Fujiwara commented, "We are thrilled to have the CX-5 receive such a coveted award and appreciate the warm support and encouragement of our fans. Spurred on by this honor, we will continue to dedicate ourselves to the task of crafting cars that only Mazda can, in order to continue winning the support of our fans and customers into the future." (The Philippine Star)



	Thursday, 6 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	7.53%	7.53%	7.79%

