

# DASHBOARD

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AVID Daily E- News

## MACROECONOMIC SNAPSHOT

### To attain investment grade Phl growth must be sustainable

The Philippines will have to prove its recent growth momentum is “structural” in nature, something that is sustainable over the long term to attain its much-coveted investment grade status, debt watcher Fitch Ratings said. “Basically, we are trying to look through the cycle and see if there is structural difference suggesting higher GDP growth... We are looking if there is actually structural break rather than short term upswings in 12 to 18 months,” said Philip McNicholas, director of Asia-Pacific Sovereigns, in a teleconference. “The question now is sustainability of higher growth outcomes,” he added. “When I mentioned sustainability in terms of GDP outcomes and so forth, essentially the focus... is on longer term outlook to GDP growth trajectory,” McNicholas said. (The Philippine Star)

### BSP sees robust economic growth in 2013

The Bangko Sentral ng Pilipinas expects the Philippine economy to hit the upper end of the official growth target of 6 to 7 percent this year as household consumption remains strong and investments rise. The BSP said Tuesday that indicators pointed to a scenario wherein the domestic economy could again post a robust pace of expansion this year after an encouraging growth performance in 2012. BSP Deputy Governor Diwa Guinigundo said that improving investor sentiment would help the Philippines duplicate its 2012 performance. (Philippine Daily Inquirer)

### Euro zone's unemployment rate hits a new high

The euro-zone unemployment rate rose to a fresh high in November as a net 113,000 people lost their jobs, leaving record numbers without work. Confidence levels remain weak by historic standards, and haven't yet signaled a pickup in economic activity—though they do suggest further weakening is unlikely. The European Central Bank's decision in September to create an open-ended bond-purchase program has improved sentiment in financial markets and among businesses. But the efforts have failed to translate into new hiring. Vulnerable countries such as Spain and Portugal face job-draining cuts to public spending as well as higher taxes to bring budget deficits down. More-prosperous countries such as Germany face headwinds from a slower global economy. (Wall Street Journal)

## FINANCIAL TRENDS

### Index stretches run to 6th day this year

For the seventh consecutive trading day, the main stock index rewrote records anew, hitting a fresh all-time high yesterday as investors remained bullish on Philippine economic and business prospects. The benchmark Philippine Stock Exchange index (PSEi) finished at a new record high of 6,091.18, up 42.28 points or 0.7 percent from Tuesday's close. (The Philippine Star)

### Peso rises on upbeat sentiment

The peso rose further on Wednesday as investors maintained an upbeat sentiment and demanded more local securities. The local currency closed at 40.785 against the US dollar, up by 6.5 centavos from the previous day's finish of 40.85:\$1. (Philippine Daily Inquirer)

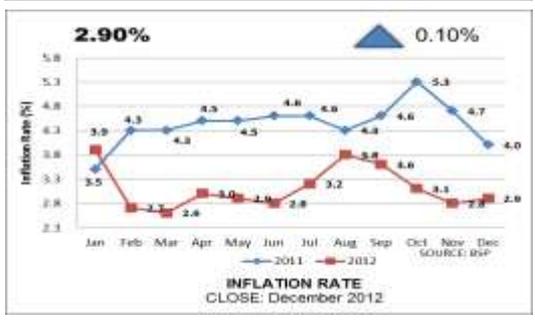
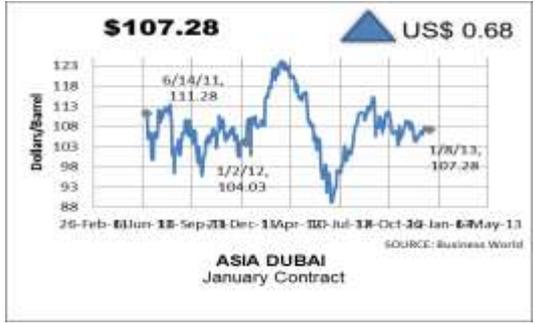
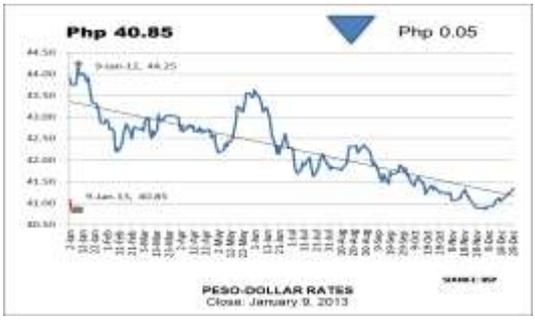
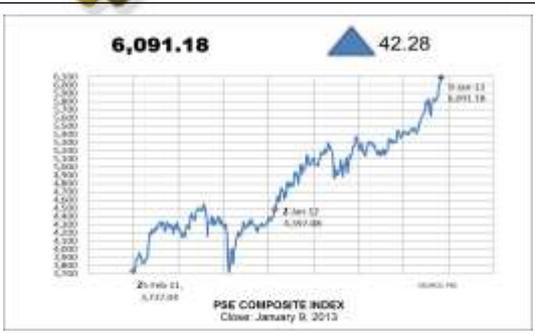
## INDUSTRY BUZZ

### Honda expands CR-V choice

Honda Cars Philippines, Inc. (HCPI) last month launched an expanded lineup of its CR-V compact sport utility vehicle following the resumption of production in regional hub Thailand, which was hit by massive floods in late 2011. “With the production operation of our Thailand factory now fully restored, we are pleased to announce the continued supply and availability of this model,” HCPI President and General Manager Tatsuya Natsume said during the Dec. 5 launch. Unveiled were the 2.0 V M/T and A/T, 2.0 S A/T and 2.4 SX A/T CR-V variants. The automaker highlighted that all variants come with the Eco Assist system, i-MID or intelligent multi-information display and “One-Pull Fold-Down” rear seats. (BusinessWorld)

### Bentley unveils flagship convertible at Detroit Auto Show

The Continental GT Speed Convertible, Bentley's new open-top performance flagship—and the world's fastest four-seat convertible—makes its international debut on Jan. 14 at the North American International Auto Show in Detroit. Aside from the Bentley, also among the more interesting launches in Detroit are the Audi RS 5 Cabriolet and R8, the Nissan Versa hatchback, the Mercedes E-Class Coupe, the BMW 1 Series Limited Edition Lifestyle, and the MINI JCW Paceman and the 2014 Corvette. (Philippine Daily Inquirer)



	Wednesday, 9 January 2013	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	0.05%	0.20%	3.85%
Lending Rates	7.28%	7.37%	7.79%

