

DASHBOARD

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MACROECONOMIC SNAPSHOT

World Bank: Phl to grow above 6% in 3 years

The Philippines is projected to grow above 6 percent from 2013 to 2015 as the world turns to developing countries in leading global economic growth, a report published by the World Bank noted. The multilateral financial institution, in its Global Economic Prospects report, expects the Philippines to grow by 6.2 percent this year, 6.4 percent in 2014 and 6.2 percent in 2015. World Bank President Jim Yong Kim said developing countries which include the Philippines need to focus on raising their growth potentials while high-income countries recover from the global economic meltdown. "Developing countries have remained remarkably resilient thus far. But we can't wait for a return to growth in the high-income countries, so we have to continue to support developing countries in making investments in infrastructure, in health, in education. This will set the stage for the stronger growth that we know that they can achieve in the future," he said. (The Philippine Star)

Remittances to stay resilient - HSBC

Overseas remittances will continue to grow steadily this year, supporting the Philippines' consumption-driven economy, HSBC said. "For 2013, we expect steady inflows of remittances to continue to support consumption in the Philippines. In fact, with fiscal easing in Japan and data pointing to improved domestic demand in the United States, remittance growth could surprise on the upside," HSBC economist Trinh D. Nguyen said in a report released yesterday. She added, "Over a longer horizon, factors such as aging in the developed world would expand employment opportunities for Filipino health workers, engineers and domestic workers." (BusinessWorld)

PH to reel in \$20B in foreign investments from Japan

The Philippines is well poised to profit from Japan Prime Minister Shinzo Abe's move to steer clear of China and move to Southeast Asia for capital expansion. Trade and Industry Secretary Gregory L. Domingo told the Philippine Daily Inquirer: "I agree we will benefit, we are already seeing some of it now." Japan is the country's biggest business partner with total trade and investments of \$13 billion and the third biggest source of tourists. Albay Gov. Joey Salceda, an economist, said that Japan's fear of China's increasing military and financial might would likely trigger the second massive outflow of Japanese direct investments. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Market snaps two-day losing streak

Share prices rebounded yesterday, snapping a two-day skid given ample market liquidity and a number of positive local news. The Philippine Stock Exchange index rebounded 0.41 percent or 24.66 points to settle at 6,072.18, while the broader all shares index added 0.33 percent or 12.50 points to 3,829.47. (The Philippine Star)

P/\$ rate stands at P40.625/\$1

The peso exchange rate stands at P40.625 to the US dollar on Wednesday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P40.637. (Manila Bulletin)

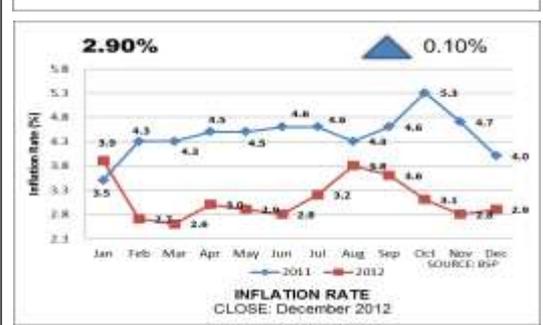
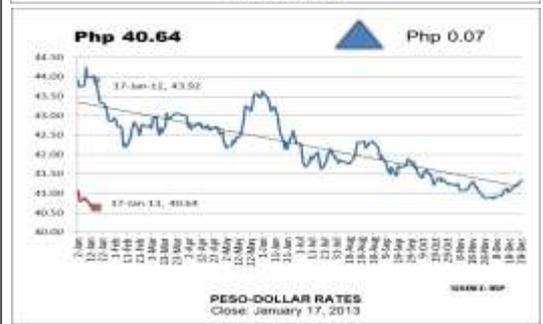
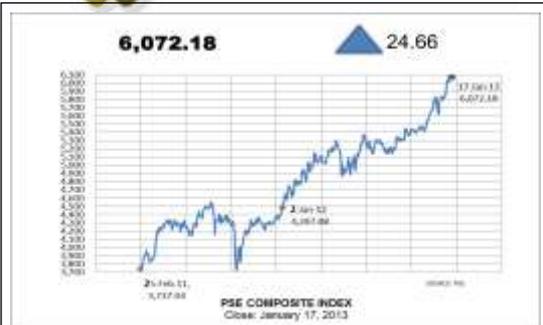
INDUSTRY BUZZ

MMPC bullish, targets 23% growth

Mitsubishi Motors Philippines Corp. (MMPC), the country's second largest car company, is eyeing an aggressive 23 percent increase in sales this year to 43,000 units from 34,915 units. MMPC admitted the 23 percent sales growth target as very optimistic considering it only posted a 7 percent growth in 2012 over 2011. MMPC President and CEO Hikosaburo Shibata said the growth target would be complemented by the introduction of more vehicle models into the country. MMPC will be bringing in more vehicles that will respond to the market's demand for quality vehicles that are perfect for diverse lifestyles and needs, Shibata said. (Manila Bulletin)

Outlook upbeat for car firms

The automotive industry should sustain its growth this year as conditions remain favorable for new vehicle purchases, the research arm of Metropolitan Bank & Trust Co. (Metrobank) said. "For 2013, expect domestic demand to remain robust due to manageable inflation expectations and high liquidity. This may lead the automotive industry to modestly growing this year," Metrobank Research said in a report released yesterday. Record-low policy rates have ensured that the market is awash with cash for consumption and investment. Outstanding loans grew by a robust 15.8% to P3.08 trillion as of last October compared to the previous year. Auto loans comprised P80.008 billion. (BusinessWorld)



	Thursday, 17 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	7.07%	7.24%	7.79%

