



DASHBOARD

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MACROECONOMIC SNAPSHOT

IMF raises forecasts

The International Monetary Fund (IMF) has raised its 2012 and 2013 growth forecasts for the Philippines even as it moderated expectations for other economies. The country likely grew by 6.5% last year and could see the expansion ease to 6% this year, IMF mission chief Rachel Van Elken told reporters yesterday. The estimates are a significant jump from the 4.8% initially pegged for both years, and Ms. Van Elken said progress achieved indicated that "in a way, the Philippines has settled into a higher growth trajectory." She also said that growth in 2014 could moderate to 5.5%. Emerging markets, meanwhile, are again poised to be the fastest-growing group in 2013 and 2014, although they could be slowed by tepid demand abroad. (BusinessWorld)

Phi posts higher FDI flows than SEA neighbors

The Philippines is among the countries in Southeast Asia which saw higher foreign direct investment (FDI) flows last year from a year ago even as total flows to the region declined, a United Nations (UN) agency said. "Despite an overall seven-percent decline in FDI inflows to the Association of Southeast Asian Nations (ASEAN), some countries in this group of economies appear to be a bright spot: preliminary data show that inflows to Cambodia, Myanmar, the Philippines, Thailand and Vietnam grew in 2012," the United Nations Conference on Trade and Development (UNCTAD) said its Global Investment Trends Monitor report. The UNCTAD report showed FDI inflows to the Philippines reached \$1.5 billion last year, 15.5 percent higher than in 2011. (The Philippine Star)

In Davos, gov't execs out to drum up trade for PH

Philippine government officials will be meeting not only with their foreign counterparts at the World Economic Forum in Davos, Switzerland, this week, but also with prospective investors to further boost the Philippines' image as an investment destination, Trade Secretary Gregory Domingo said. "We want to strengthen Philippine relations with other governments. And we're having several roundtable discussions with top CEOs," Domingo said. The country's top trade official said the forum in Davos would be a good opportunity to boost the Philippines among foreign investors, especially those based in the European Union, which is still a major market for Philippine goods and a potential source of investments despite the financial crisis now rocking the region. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Philippine stocks snap losing streak

The Philippine Stock Exchange index on Thursday trekked higher following gains posted by Wall Street due to robust corporate earnings and positive economic developments. The PSEi ended Thursday's session at 6,117.27, representing a gain of 24.74 points, or 0.41 percent. With this, the PSEi snapped a two-day losing streak where investors pocketed gains from the recent string of record-high performances. (Philippine Daily Inquirer)

P/\$ rate closes at P40.63/\$1

The peso exchange rate closed lower at P40.63 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P40.615 the previous day. The weighted average rate depreciated to P40.637 from P40.626. Total volume amounted to \$772.2 million. (Manila Bulletin)

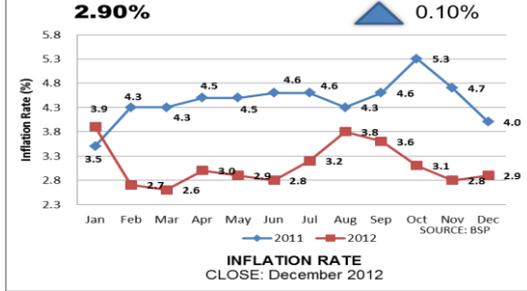
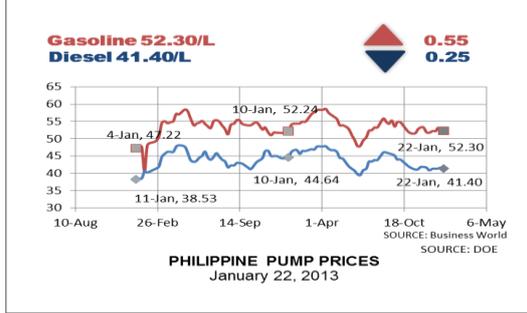
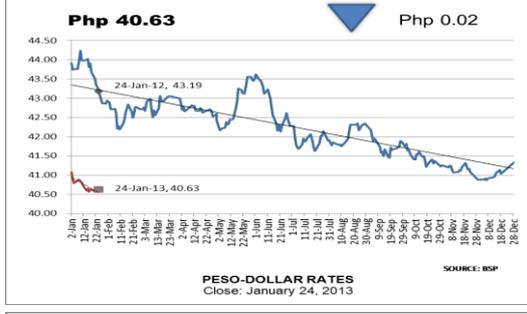
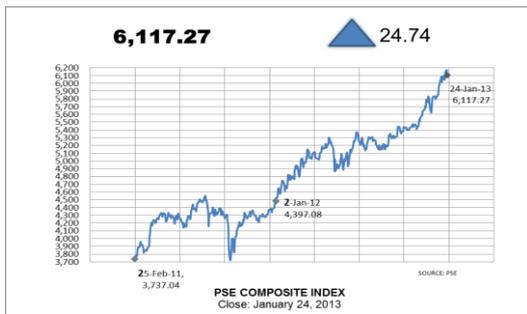
INDUSTRY BUZZ

Toyota to license fuel-cell technology to BMW

Japanese automaker Toyota Motor Corp is nearing an agreement to license its fuel-cell vehicle technology to Germany's BMW AG, the Nikkei reported. Under the agreement, to be made official as early as Thursday, Toyota will provide the world's largest premium carmaker with drivetrain and hydrogen storage technology, the business daily said. BMW will use the technology to build a prototype vehicle by 2015, with plans for a market release around 2020, the Nikkei said. (BusinessWorld)

Infiniti reboots as it targets China market

Infiniti, the premium arm of Japanese automaker Nissan Motor Co Ltd, expects to be building more than half its vehicles outside Japan "in the medium term," the brand's president said at an industry conference. As it reboots and shifts strategic focus, Infiniti also plans to introduce four new models by 2017, including a crossover, two sedans and a "seductive performance car," according to Johan de Nysschen, who was formerly head of Volkswagen AG's Audi of America. Nissan in early December also created a separate company, Infiniti Motor Co Ltd, based in Hong Kong as a prelude to a major initiative in China. The brand also "is studying" a possible entry into Japan, where most of its current models are built, then exported. (BusinessWorld)



| | Thursday, 24 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 | 6.96% | 7.10% | 7.79% |

