

DASHBOARD

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MACROECONOMIC SNAPSHOT

BSP mulls new forex lib measures

A fresh wave of foreign exchange liberalization measures is underway to "mitigate" a strong peso that has worried both the Bangko Sentral ng Pilipinas (BSP) and the government, a senior official said. "We share the concern of the government about the continued appreciation of the peso and its negative impact on exports, remittances and BPOs (business process outsourcing)," BSP Deputy Governor Diwa Guinigundo told The STAR in a text message. "As warranted, we shall continue to dip into our toolkit to address the issue of capital flows and exchange rate appreciation... (and) yes, part of it is FX (foreign exchange) liberalization," he added. (The Philippine Star)

More intensive investment promotions planned

The trade department is intensifying efforts to promote the Philippines as an investment destination, an official said. "Business plans for 2013 include print media advertising for investment promotions abroad in business magazines and improving communications and investment promotions among embassies and trade attaches," said outgoing Trade Undersecretary Cristino L. Panlilio in an interview with reporters on Friday. "We also plan to more than double inbound trade missions from 35 to 77 this year." He added the first print advertisements will be seen in Asian magazines. Countries that have sent business missions to the Philippines include Russia, Turkey, Italy, France, the United States, Mexico and the United Kingdom. (BusinessWorld)

PH exports target Chile

Philippine exporters are exploring the possibility of supplying Chile with food and industrial goods. Philippine Exporters Confederation Inc. (Philexport), in a statement citing a report from Chile's Ambassador Roberto Mayorga, said Manila can supply Chile with fruits and vegetables, handicrafts, chemical products and devices for fishing and mining. Chile is estimated to have 17 million people, a sizeable market for such products. The South American country's food industry presents huge investment opportunities for Philippine companies, Philexport said. (Philippine Daily Inquirer)

FINANCIAL TRENDS

PSEi breaches 6,400 mark

Local stocks rallied further into uncharted territory on Monday, breaking past the 6,400 mark for the first time, as yield-seeking investors snapped up equities amid rosy prospects for the year. The main-share Philippine Stock Exchange index soared by 117.37 points or 1.86 percent to close at a new record high of 6,435.98. A new intraday peak was likewise touched at 6,449.44. This marked the local stock market's 14th record breakout for the year and the 75th under the term of President Aquino, whose anti-corruption campaign has boosted investor confidence in the country. (Philippine Daily Inquirer)

P/\$ rate stands at P 40.695/\$1

The peso exchange rate stands at P40.695 to the US dollar last Friday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P40.734. (Manila Bulletin)

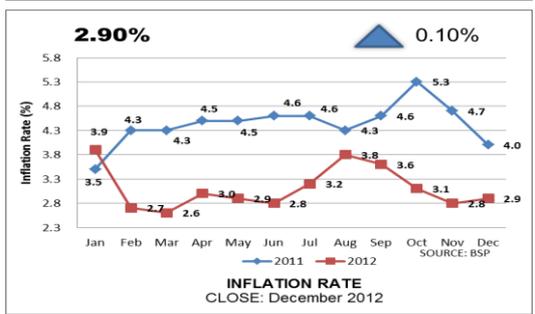
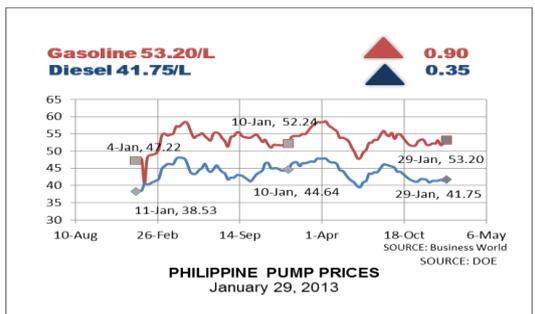
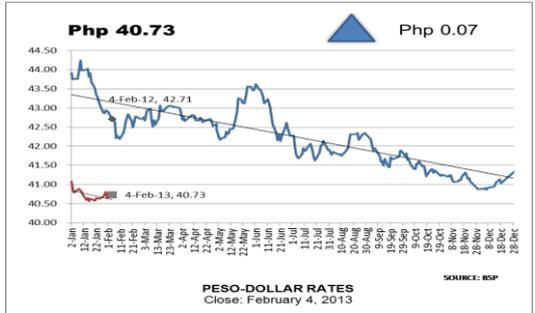
INDUSTRY BUZZ

PH seen as top choice for e-vehicle hub

The Electric Vehicle Association of the Philippines (EVAP) expects the country to become a preferred destination for investments in electric vehicles once a measure providing incentives to manufacturers and sellers of alternative vehicles is passed into law, an official said. "EVAP, the frontline industry association working for the early enactment admonishes that if the bill finally will be passed into law, it will lure investors to choose the Philippines as a more viable country in the region, a measure that is crucial to the electric vehicle industry's launch as it passes currently a sensitive stage of development," EVAP chairman and president Rommel Juan said in an email. Last week, Senate Bill (SB) 2856 or the Alternative Fuel Vehicles Incentives Act was approved on third and final reading. (The Philippine Star)

US Jan. auto sales up 14% to above 15M

U.S. auto sales rose 14 percent in January, kicking off the industry's fourth straight year of recovery since the depths of recession as American consumers increasingly sought to replace their aging cars and trucks. January was the third straight month that the annual U.S. auto sales rate held above the 15 million mark, with a 15.3 million pace last month, according to industry research firm Autodata. The results indicate the industry's gains will continue to outpace the broader U.S. economic recovery in 2013. So-called "pent-up demand" for new vehicles, the improving U.S. housing market and lower interest rates



	Monday, 4 February 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	7.13%	7.07%	7.79%

