

DASHBOARD

Changing News. Your Guide.

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MACROECONOMIC SNAPSHOT

Inflation rate inched up slightly to 3% in January

The Philippines started the new year with a slightly higher inflation due to an increase in food and power prices and the implementation of the "sin tax" law. Inflation inched up to 3 percent in January from 2.9 percent in December 2012, the National Statistics Office reported yesterday. While slightly up, the Jan. 2013 inflation rate was still within the Development Budget Coordination Committee's inflation target of 3 to 5 percent for 2013, according to the National Economic and Development Authority (Neda). It was also lower compared to the 4-percent increase in consumer prices in Jan. 2012. (Philippine Daily Inquirer)

Consumer confidence climbs

Filipino consumers are among the world's most confident in the world, according to a Nielsen survey, as strong economic growth raised expectations of better job prospects and prompted plans to buy consumer goods. The mood was downbeat in other countries, as Europe continued to grapple with a debt crisis and the US struggled with its "fiscal cliff." Results of the Nielsen Global Survey of Consumer Confidence and Spending Intentions for the fourth quarter showed consumer confidence among Filipinos rising by a point from the previous quarter to 119, the second highest in the world next to India. The global average, on the other hand, slipped by a point to 91. (BusinessWorld)

Hollande urges euro-zone foreign-exchange policy

French President François Hollande on Tuesday urged euro-zone governments to consider ways to fulfill a mission the European Central Bank isn't mandated to carry out: run a foreign-exchange policy. In a speech to the European Parliament, Mr. Hollande said a monetary zone "should have a foreign-exchange policy, otherwise it has an exchange rate imposed on it that does not correspond to the real state of the economy." He said the euro can't be left fluctuating "depending on the mood of markets" and voiced concerns that its current high level was undermining efforts by European governments to shore up their public finances and improve the productivity of their economies. "There's a paradox in asking some countries for a competitiveness effort and at the same time making their exports more expensive," said Mr. Hollande. "Otherwise we are asking countries to make efforts on competitiveness that are annihilated by the value of the euro." (Wall Street Journal)

FINANCIAL TRENDS

Market pauses for profit taking

Local stocks retreated yesterday, halting a three-day climb as the main index hit its 15th record high for the year on Tuesday, as investors unloaded shares to pocket gains. The benchmark Philippine Stock Exchange index (PSEi) dropped to 6,431.35 or 0.60 percent (39.14 points) from Tuesday's close. (The Philippine Star)

Peso slips as market watches ECB

The peso further slipped against the dollar yesterday as investors took on a wait-and-see stance ahead of the European Central Bank (ECB) policy meeting today. The local unit weakened for the second straight trading day, closing at P40.655 to the dollar, and dipping by one centavo against its P40.645-per-dollar close last Tuesday. (BusinessWorld)

INDUSTRY BUZZ

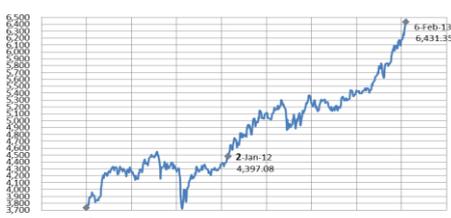
Volvo ramps up assembly of the world's first diesel plug-in

Volvo Car Corp. is now ramping up production of the new Volvo V60 Plug-in Hybrid. After the initial batch of 1,000 model year 2013 cars, production will increase to 4,000-6,000 cars as of model year 2014. The assembly of the world's first diesel plug-in hybrid has been successfully integrated on the same line as the company's other models at the Torslanda plant in Gothenburg. This is a remarkable achievement considering that the sophisticated plug-in hybrid technology includes two complete drive trains and a powerful battery that provides a range of up to 50 kilometers on pure electric power. (The Philippine Star)

Nissan to build new Spanish car

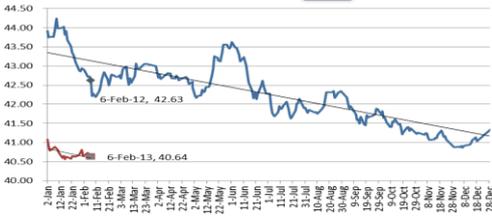
Japanese group Nissan Motor is to invest 130 million euros (\$178 million) at its factory in Barcelona to make a new model, the latest sign of returning confidence in Spain's competitiveness. While Europe's car market has been suffering in the downturn - sales fell to a 17-year low in 2012 and latest data showed little hope for a recovery anytime soon, Nissan hopes to benefit from a recent deal with unions on wage cuts. Nissan will make 80,000 of a new compact family car per year at the Barcelona plant, creating 1,000 direct jobs and 3,000 indirect jobs. (BusinessWorld)

6,431.35 ▲ 39.14



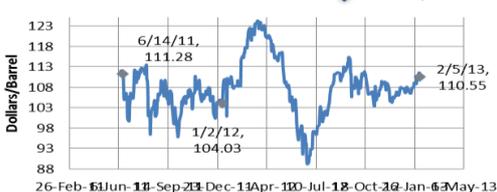
PSE COMPOSITE INDEX
Close: February 6, 2013

Php 40.64 ▲ Php 0.03



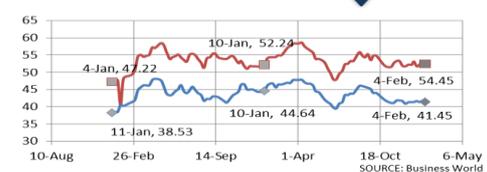
PESO-DOLLAR RATES
Close: February 6, 2013

\$110.55 ▼ US\$ 1.05



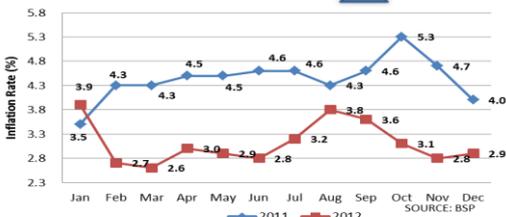
ASIA DUBAI
February Contract

Gasoline 52.45/L ▼ **0.75**
Diesel 41.45/L ▼ **0.30**



PHILIPPINE PUMP PRICES
February 4, 2013

2.90% ▲ **0.10%**



INFLATION RATE
CLOSE: December 2012

	Wednesday, 6 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	7.09%	7.07%	7.79%

