



# DASHBOARD

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## MACROECONOMIC SNAPSHOT

### FMIC & UA&P forecast: Q1 GDP growth at 7%

The country's gross domestic product (GDP) is projected to expand close to 7 percent in the first quarter of the year on the back of election spending, booming construction, strong government, a manageable inflation and a modest rebound in exports. In its latest market report, FMIC & UA&P Capital Market Research expects inflation rate in March at 3.3% but a quick reversal is expected in the second quarter to below 3% as crude oil prices are expected to soften significantly after the winter season. The fiscal sector is expected to continue its deficit spending spree in the first quarter but would likely ease in the second quarter. (Manila Bulletin)

### \$300-M loan approved by World Bank

The World Bank yesterday approved a new development policy loan for the Philippines, which it said would support "critical reforms for accelerating inclusive growth." The \$300-million quick-disbursing loan, the institution said in a statement, will be used to support government programs aimed at improving the country's investment climate, strengthening governance and enhancing poor families' access to social services. The Philippines' strong growth -- the 2012 result of 6.6% topped the government's 5-6% target -- was cited, along with the government's commitment to reforms. (BusinessWorld)

### Phi, Malaysia lead Asia business optimism survey

Business sentiment in Asia improved in the first quarter from the previous quarter with the Philippines and Malaysia having the most optimistic outlook for the period given the two countries' positive economic conditions, according to a survey of Thomson Reuters and INSEAD. The latest Thomson Reuters/INSEAD Asia Business Sentiment Survey showed that the Asia Business Sentiment Index rose to 65 in March from 63 in December. The survey showed that business sentiment in Southeast Asia was mostly optimistic due to government-driven investment spending in infrastructure as well as robust domestic spending. "Malaysia and the Philippines were the most positive with readings of 100 each," the survey read. (The Philippine Star)

## FINANCIAL TRENDS

### Bourse breaks eight-day slide

The Philippine Stock Exchange (PSE) halted an eight-day losing streak and returned to positive territory on Thursday, partly on "technical" recovery and as it tracked gains on Wall Street. The PSE index (PSEI) added 53.36 points or 0.83% to close at 6,472.98, while the broader all-share index gained 33.63 points or 0.83% to 4,076.49. (BusinessWorld)

### P/\$ rate closes at P40.745/\$1

The peso exchange rate closed lower at P40.745 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P40.73 the previous day. The weighted average rate appreciated to P40.737 from P40.743. Total volume amounted to \$567.7 million. (Manila Bulletin)

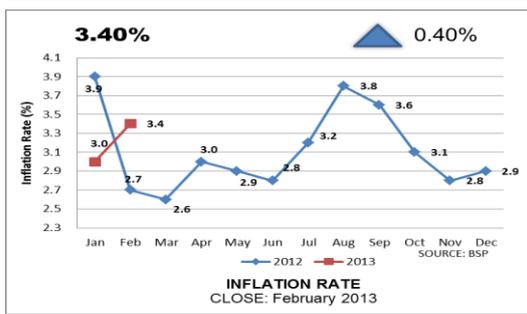
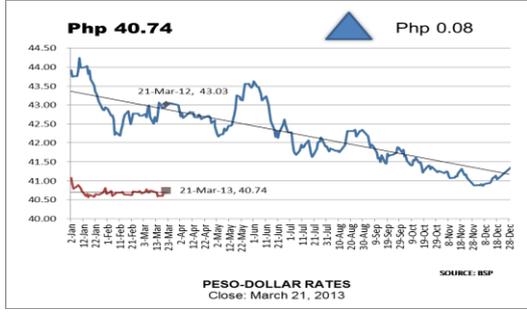
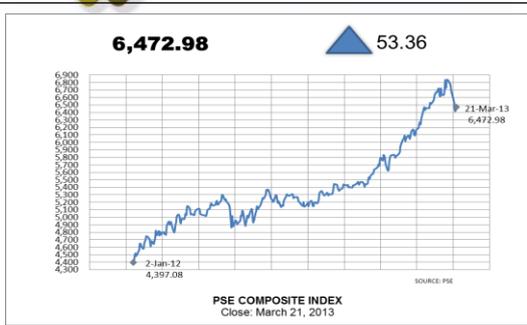
## INDUSTRY BUZZ

### Self-driving Toyota car aims to eliminate road accidents

In the very near future, Toyota hopes to sell more types of its vehicles that give drivers less of a role behind the wheel, especially during dangerous situations. At a press conference during the Consumer Electronics Show (Las Vegas, United States) held in January, the world's biggest car maker presented a sensor-laden Lexus LS sedan that will serve as a test bed for reducing global traffic fatalities and injuries. Toyota explained that the company's aim is not to create a car that drives itself but one that enhances the skills of the driver, eliminate crashes and be more safe around people. The tweaked Lexus LS scans movement of objects around it, identify a green light from a red light and measures the trajectory of the vehicle on the road. (Philippine Daily Inquirer)

### China cars take off briskly in 2013's first two months

Auto sales in China, the world's top car market, rose in the first two months of the year, indicating strong demand as the country's economy gradually recovers. Around 3.39 million vehicles were sold in the country over January and February, rising 14.7 percent from the same period last year, the China Association of Automobile Manufacturers (CAAM) said in a statement. "The auto industry had a good start this year and the overall market demand for cars has remained strong," said the statement. Giving the figure for the two months reduces seasonal distortions due to the Lunar New Year holiday, which fell in February this year but in January in 2012. (Manila Times)



	Thursday, 21 March 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	0.08%	0.05%	3.85%
Lending Rates	7.15%	7.14%	7.79%

