



DASHBOARD

Changing News. Your Guide.

AVID Daily E- News

April 1, 2013

Volume 5 No. 69

MACROECONOMIC SNAPSHOT

PH gets first-ever investment grade rating

The Philippines has achieved its first-ever investment grade rating after international debt watcher Fitch raised the country's rating to BBB- from BB+. Fitch Ratings — the first of the three major international debt watchers to upgrade the Philippines — also assigned a stable outlook for the country's credit rating. Fitch cited the country's sovereign balance sheet as being comparable to those of 'A'-rated nations, while a "persistent current account surplus, underpinned by remittance inflows" has made the country a "net creditor" from its previous deficit position. Fitch also noted the economy's 6.6-percent economic growth for 2012 and the expected 5.5 percent growth for this year, both of which are "stronger and less volatile" than BBB-rated peers over the last five years. (Philippine Daily Inquirer)

Gov't debt slightly down in January

The government's debt burden reached P5.33 trillion as of January this year, down 1.9 percent or P103 billion from the end-December figure, according to the Bureau of Treasury. Documents showed that 64 percent of the total debt or P3.41 billion is owed to domestic creditors while 36 percent or P1.92 trillion was borrowed from external sources. Domestic debt decreased 1.7 percent or P57 billion due to the net redemption incurred during the month. External debt, meanwhile, fell 2.3 percent or P46 billion due to the appreciation of the local currency against the dollar. (The Philippine Star)

NEDA sees 6%-7% 2013 growth

The National Economic Development Authority (NEDA) projects the economy to grow from 6% to 7% this year based on the improved business and consumer confidence particularly in the last quarter of 2012. During the recent Cargo Economics Conference, Emmanuel F. Esguerra, NEDA Deputy Director General, said that this growth is bigger than the 6.6% GDP performance in 2012. As it is, the 2012 growth is already the fastest in Asia, next only to China. What helped this performance is the country's low and stable inflation contained at about three percent, favorable interest rate and sound banking system, and a sustainable fiscal and external position, he explained. (Manila Bulletin)

FINANCIAL TRENDS

Euphoria to fuel trades further

The bourse is expected to sustain its rally this week -- possibly beyond the 7,000 mark -- driven by optimism after the country received its first-ever investment grade from a global debt watcher. The Philippine Stock Exchange index (PSEi) gained 5.04% to 6,847.47 on Wednesday last week -- its 24th record high this year -- from 6,518.71 two Fridays ago, while the broad-based all-share index rose by 3.29% to 4,234.31 from 4,099.26. (BusinessWorld)

P/\$ rate stands at P40.80/\$1

The peso exchange rate stands at P40.80 to the US dollar last Wednesday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P40.918. (Manila Bulletin)

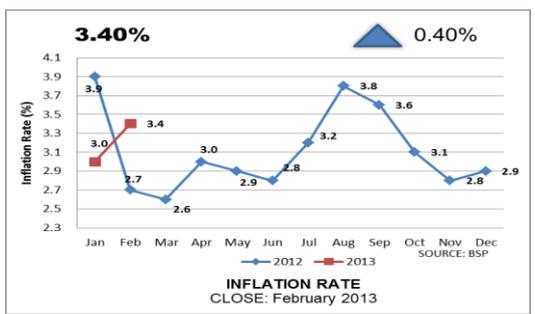
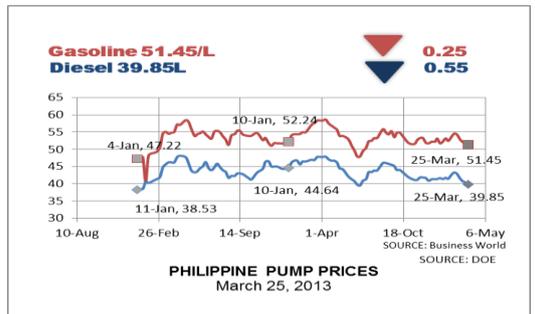
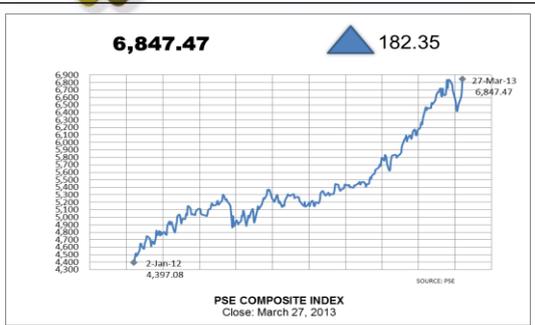
INDUSTRY BUZZ

Luxury car distributor sees higher sales this year

The local distributor of luxury car brands Jaguar, Land Rover, Maserati and Ferrari expects sales to grow higher this year as the Philippine economy further accelerates. "We are very confident and we feel good about the economy. The Philippine economy is doing very well, you can see that with the new resort casinos opening up. There is a lot of wealth coming into the country," said Marc Louis O. Soong, executive director of Jaguar Cars Philippines and general manager of Autostrada Motore, Inc., in an interview with reporters last week. "The economy is very strong, growth can be higher this year," he added. The Soong family has the distribution rights for Jaguar, Ferrari, Land Rover and Maserati in the Philippines. It sells the Ferrari brand under Autostrada Motore. (BusinessWorld)

Nissan gaining US market share in March

Nissan said last week it expects to pick up market share in the all-important US market this month, but it still remains far from its target. The Japanese automaker expects to sell more than 132,000 cars in March, which would take its market share to 8.8-8.9 percent, up from just 7.8 percent in January, Nissan's director of sales for the US Jose Munoz said on the sidelines of the New York Auto Show. Carlos Ghosn, chief executive of the Nissan-Renault alliance, acknowledged that the company remains far from its target of 10 percent market share in the US by 2016. "Unless we hit 10 percent market share in the US, we are not getting a fair return on our investment here," Ghosn said. (The Philippine Star)



	Tuesday, 26 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	6.98%	7.09%	7.79%

