



# DASHBOARD

Changing News. Your Guide.

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## MACROECONOMIC SNAPSHOT

### Borrowings cut by half in January

The government borrowed a total of P41.337 billion in the first month of the year, falling by 49.6% from the P82.011 billion recorded in January 2012. Bulk of the month's debt was sourced from local creditors as the government increased the domestic component of its borrowings. Domestic borrowings more than doubled in January, amounting to P40.314 billion versus the P15.278 billion recorded the year before. Broken down, the government floated P7.64 billion in Treasury bills, while Treasury bonds brought in P32.674 billion. (BusinessWorld)

### Gov't posts 2-month budget gap of P31B

The national government incurred a budget deficit of P11.7 billion in February, bringing the deficit for the first two months to P31.3 billion, which was 13 percent of the P241 billion that the government intends to spend on top of this year's national budget, documents from the Bureau of the Treasury showed. The two-month deficit was almost six times the P5.3-billion budget gap recorded in the same period of 2012. January-February expenses reached P282 billion, or 14 percent of the P2.02-trillion spending program for this year. On the other hand, two-month revenues reached P250.7 billion, also 14 percent of this year's revenue plan. (Philippine Daily Inquirer)

### Eurozone inflation down for third month running

Inflation across the 17 European Union countries that use the euro fell for the third month running in March. Eurostat, the EU's statistics office, says Wednesday that consumer prices in the eurozone were up 1.7 percent in March from the year before, down from the 1.8 percent recorded the previous month. Lower energy price inflation appears to have been the main reason behind the fall. The decline takes inflation further below the European Central Bank's target of keeping price rises just below 2 percent. Even so, the ECB is expected to keep its main interest rate unchanged at 0.75 percent at its monthly policy meeting Thursday. The fall was widely expected, though some economists were anticipating a bigger decline to 1.6 percent. (The Philippine Star)

## FINANCIAL TRENDS

### PH stock index bounces back from 2-day decline

The local stock market snapped out of a two-day correction on Wednesday as some investors saw the recent pullback as an opportunity to re-enter the market. The main-share Philippine Stock Exchange index recouped 66.87 points or 0.99 percent to close at 6,815.30. (Philippine Daily Inquirer)

### Peso succumbs to geopolitical, euro zone worries

Immerging geopolitical tensions in the Korean peninsula and weak manufacturing data from the euro zone continued to weigh on the peso yesterday. The local currency weakened further by three-and-a-half centavos to close at P40.905 to a dollar yesterday against its P40.87-per-dollar finish last Tuesday. The peso has been depreciating against the dollar since Monday. (BusinessWorld)

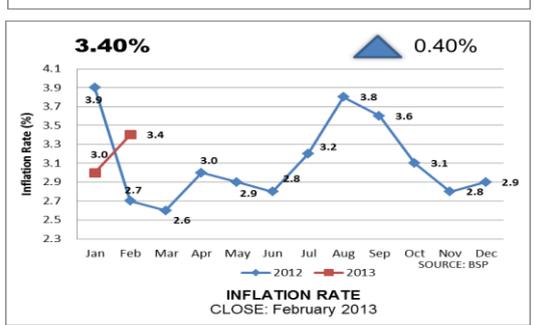
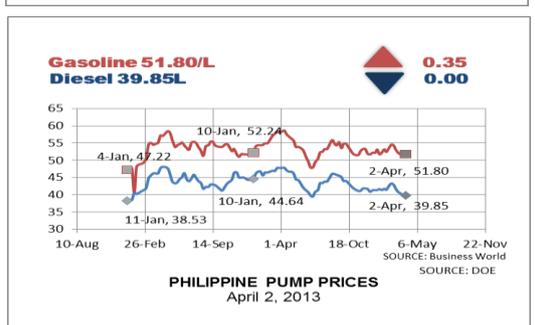
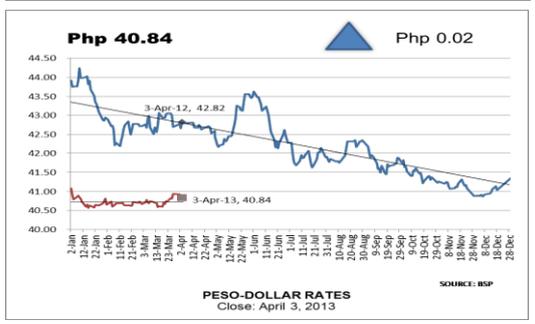
## INDUSTRY BUZZ

### Volkswagen to boost output by 2018

Volkswagen will boost its global headcount to 600,000 by 2018 from 550,000 as part of its aim to become the world's biggest carmaker, works council chief Bernd Osterloh told a German newspaper. "Volkswagen is growing, and is therefore continuing to hire in production," daily Handelsblatt cited Osterloh as saying in an excerpt of an interview to be published on Tuesday. Volkswagen, which delivered around 9.1 million vehicles last year, has said it hopes to replace Toyota Motor Corp as the world's top-selling carmaker in 2018. (BusinessWorld)

### March U.S. new car sales jump

General Motors Co., Ford Motor Co. and Chrysler Group LLC reported their strongest March sales in five years, prompting one research firm to lift its full year forecast. GM's sales rose 6.4% from a year earlier, while Ford's climbed 5.7% and Chrysler's were up 5%, bolstered by rising consumer confidence amid healthy stock and housing market gains in recent months. Overall, March adjusted annualized sales jumped 8% to a 15.3 million vehicle pace, compared with 14.1 million a year ago, according to market researcher Autodata Corp. The gains prompted automotive information website Edmunds.com to lift its 2013 U.S. sales forecast to 15.5 million new cars and light trucks, from 15 million. (Wall Street Journal)



	Tuesday, 2 April 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	0.04%	0.08%	3.85%
Lending Rates	7.01%	6.93%	7.79%

