



MACROECONOMIC SNAPSHOT

PH, Asia-Pacific countries to post strong growth

Fitch Ratings said the Philippines and countries in the Asia-Pacific were likely to remain the most resilient to global economic weakness among the regions in the world until 2014 given the strong domestic demand in these economies. In one of its latest reports, Fitch said emerging Asian countries were projected to post the fastest growth rates this year and next because of robust consumption and investment activities within their economies that would make them less susceptible to the ill effects of weak external demand. It added that increasing trade among Asian countries also helped temper the drag caused by a relatively weak demand from other key markets like the United States and Europe. (Philippine Daily Inquirer)

External debt service declines 2%

Philippine foreign debt service burden slipped two percent year-on-year in January to \$762 million from \$778 million the same period in 2012, data from the Bangko Sentral ng Pilipinas (BSP) showed. The debt service burden measures the sufficiency of foreign exchange to meet currently maturing obligations. Based on BSP data, the total principal payments amounted to \$338 million in the first month which is higher compared to \$315 million last year. It also reported that interest payments are 8.4 percent lower to \$424 million. (Manila Bulletin)

Gov't eyes more markets for PHL farm products

The government is banking on the possible increase in farm and food shipments to hit its export-growth target of 15 percent this year. The National Economic and Development Authority (Neda) said prospects for higher farm and food exports are good. The government is also looking at opening up more markets for local sugar this year to top up export receipts. "In addition to South Korea and India, Indonesia and the Middle East were also identified as potential market for sugar," Neda Officer in Charge and Deputy Director General Emmanuel F. Esguerra said. To be able to take advantage of increasing regional and global integration, Esguerra said there is a need to fast-track the implementation of necessary programs and policies to improve the competitiveness of Philippine exports. (Business Mirror)

FINANCIAL TRENDS

Index tumbles on profit taking

Weak manufacturing growth in China and profit taking dragged down local share prices yesterday after a rally just a day ago. The Philippine Stock Exchange index shed 1.94 percent or 138.12 points to slip back to the 6,900 level at 6,982.36, snapping a four-day climb while retreating from the all-time high closing of 7,120.48. (The Philippine Star)

P/\$ rate closes at P41.33/\$1

The peso exchange rate closed lower at P41.33 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P41.21 the previous day. The weighted average rate depreciated to P41.30 from P41.155. Total volume amounted to \$1.379.14 billion. (Manila Bulletin)

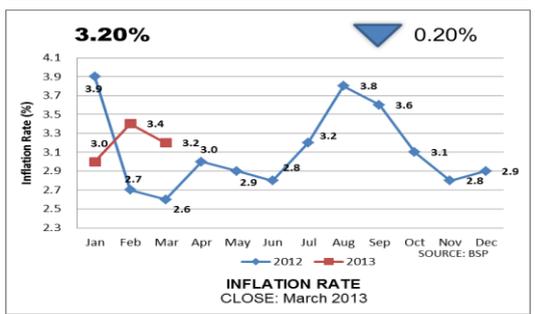
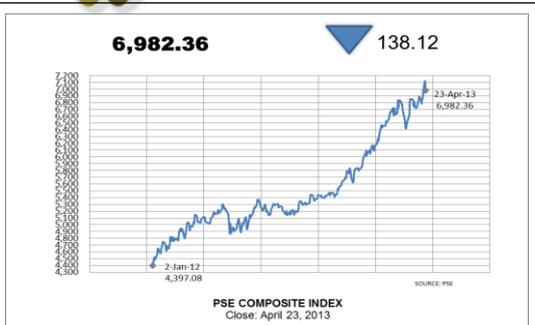
INDUSTRY BUZZ

Chinese carmakers turning to hybrids

Some automakers like state-owned SAIC Motor Corp and Brilliance Auto are developing the fuel-saving technology pioneered by Toyota on its Prius model two decades ago, and BYD Co, a Chinese battery and automaker part-owned by a Warren Buffett company, has developed its own gasoline-electric car technology. Throwing more subsidies at conventional hybrids could help kick-start China's so-called 'new-energy' car policy, which has failed to gain traction. The policy aims to put half a million new-energy vehicles - defined as all-electric battery vehicles and heavily electrified "near all-electric" plug-in hybrids - on the road by 2015 and 5 million by 2020. (Philippine Star)

Jeep looks to make an SUV in China

In order to compete in the fast-growing SUV market in China, Jeep wants to produce a vehicle in the No. 1 global auto market by the end of 2014, Jeep's top executive said on Saturday at the Shanghai auto show. The "obvious choice" for a Jeep product to be made in China is the Cherokee, which was recently introduced in Jeep's primary U.S. market and will be on sale in the fourth quarter in China, said Mike Manley, CEO of the Jeep brand of the Chrysler Group. Manley said the Cherokee is the best choice to be made in China because that size SUV market is growing quickly and also that the model is fresh in its life cycle. (BusinessWorld)



	Monday, 22 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	7.00%	6.90%	7.79%

