



DASHBOARD

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MACROECONOMIC SNAPSHOT

April inflation ranged from 2.2% - 3.1%

Inflation averaging 3.2 percent in the first three months were seen trending still lower in April, averaging as low as 2.2 percent up to no more than 3.1 percent, the Bangko Sentral ng Pilipinas (BSP) said on Monday. With inflation well anchored at this point and likely remaining benign over the next 18 to 24 months, there is less compulsion for the monetary authorities to engage in another round of policy-rate adjustments to encourage greater economic activities and boost local output measured as the gross domestic product (GDP). BSP Governor Amando M. Tetangco Jr. said in a text message the forecast inflation in April was a reflection on "lower domestic oil prices as well as price reductions in selected food items, particularly in-season fruits and fresh vegetables, cooking oil and sugar." (Business Mirror)

Money supply grows 11.4% in March

Money supply grew on its fastest pace in nearly three years last March after the Bangko Sentral ng Pilipinas (BSP) reduced the interest it charges on special deposit accounts (SDA), freeing up more resources to the economy. Domestic liquidity (M3) – the broadest measure of liquidity in the financial system – expanded 11.4 percent to P5.053 trillion, faster than the 9.4 percent growth posted the previous month, the central bank reported yesterday. This was the fastest on record since April 2010's 12.4 percent. (The Philippine Star)

Gov't urged to focus on industry reforms

After "more than two decades" of trade liberalization, rapid industrial growth continues to elude the Philippines, according to state think tank Philippine Institute for Development Studies (PIDS). The institution is now urging the government to implement reforms that will enhance the country's productivity, promote relationships between small and medium enterprises (SMEs) and large domestic and multinational companies, and generate more investments. The reforms will enable the country to capitalize on the rapidly changing global conditions where emerging economies like the Philippines are becoming key players, as the United States, the European Union, and Japan continue to face slower growth, said PIDS senior research fellow Rafaelita Aldaba. (Philippine Daily Inquirer)

FINANCIAL TRENDS

Optimism expected to persist

The bourse is expected to resume its gradual climb after the Labor Day break, staying above the 7,000 mark as investors look for support from foreign markets and more first-quarter earnings reports that will bear a generally upbeat corporate outlook. The Philippine Stock Exchange index (PSEi) on Tuesday gained 42.64 points or 0.61% to close at 7,070.99, while the broader all-share index added 17.85 points or 0.41% to 4,409.73. (BusinessWorld)

P/\$ rate stands at P41.155/\$1

The peso exchange rate stands at P41.155 to the US dollar on Tuesday at the Philippine Dealing & Exchange Corp. (PDEX). The weighted average rate stands at P41.131. (Manila Bulletin)

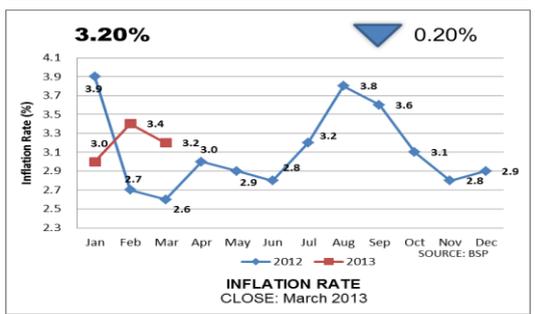
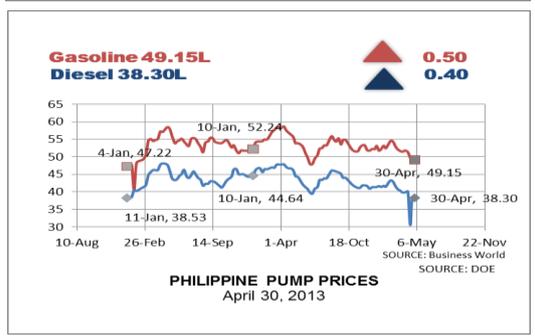
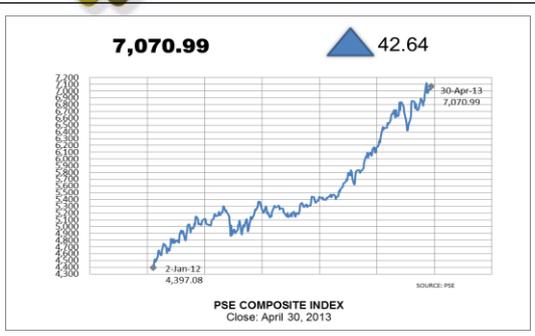
INDUSTRY BUZZ

CAMPI hikes sales forecast

Total vehicle sales in the country may hit 210,000 units this year, higher than the earlier projection of 200,000 units amid strong demand seen in the first three months of the year, according to a group of local car assemblers. "Total industry sales could reach at least 210,000 units this year. That includes sales of the AVID (Association of Vehicle Importers and Distributors Inc.)," Chamber of Automotive Manufacturers of the Philippines Inc. (CAMPI) president Rommel Gutierrez told reporters yesterday. He said CAMPI has raised its forecast given the strong sales performance seen in the first three months of the year. (The Philippine Star)

IPC truck sales post 2-digit growth

Sales of Isuzu Philippines Corporation's (IPC) medium- and heavy-duty truck models registered a double-digit leap in both year-to-date first-quarter total and month-on-month result for March. Based on a combined report released by the Chamber of Automotive Manufacturers of the Philippines Inc. and the Truck Manufacturers Association, IPC sold 158 medium- and heavy-duty trucks (Category IV and V) from January to March 2013, a 53.4% spike from the 103 units the company delivered in the same period last year. (Manila Bulletin)



	Tuesday, 30 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	6.87%	6.95%	7.79%

