



DASHBOARD

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MACROECONOMIC SNAPSHOT

PH seen to get 2nd investment grade

Some of the best analysts in investment banking and in academe believe that Standard & Poor's as well as Moody's Investor Service are to announce an upgrade in the country's standing as sovereign borrower likely in the next few months. According to First Metro Investments Corp. (FMIC), the investment banking arm of the Metropolitan Bank and Trust Co., in collaboration with the University of Asia and the Pacific (UA&P), the country's elevation to investment-grade status by rival sovereign credit watcher Fitch Ratings seems imminent. The collaborators, in assessing the likelihood for Manila to get the same credit upgrade awarded by the UK-based Fitch Ratings in March this year, said New York-based Standard & Poor's was "seen to raise the country's credit rating to investment-grade" soon. (Business Mirror)

Outstanding FX swaps at \$2.6-B

The Bangko Sentral ng Pilipinas (BSP) has kept its foreign exchange (FX) swap positions almost unchanged at \$2.6 billion as of end-March compared to the previous month. Based on updated data, FX swaps which are the BSP's long positions in forwards and futures in foreign currencies, increased its volume of one-month tenors to \$2.58 billion from end-February's \$2 billion. Its longer-dated maturities of up to three months were however reduced to \$45 million from \$620 million. Maturities of three months to one year, in the meantime, have been unwound. This process releases FX into the system which would ultimately impact on the foreign currency liquidity specifically the US dollar, and the exchange rate. (Manila Bulletin)

Joblessness increases

Unemployment has picked up anew after an improvement seen at the end of last year, the Social Weather Stations (SWS) said, with one million more Filipinos joining the ranks of the jobless. At 25.4%, unemployment among Filipinos at least 18 years old was higher than December's 24.6%, a March 19-22 nationwide survey found. This was equivalent to an estimated 11.1 million adults, up from 10.1 million. The findings compare to the official unemployment rate of 7.1% as of January, equivalent to 2.89 million Filipinos and higher than October 2012's 6.8%. (BusinessWorld)

FINANCIAL TRENDS

S&P gives last-minute boost

Talk yesterday afternoon of an impending sovereign credit rating upgrade from debt watcher Standard & Poor's (S&P) -- which wire services started reporting after the market closed -- provided a last-minute boost to what could otherwise have been a day of losses. The Philippine Stock Exchange index (PSEi) added 22.43 points or 0.32% to close at 7,093.42, while the broader all-share index gained 14.86 points or 0.34% to 4,424.59. (BusinessWorld)

P/\$ rate closes at P 41.05/\$1

The peso exchange rate closed higher at P41.05 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P41.155 last Tuesday. The weighted average rate depreciated to P41.174 from P41.131. Total volume amounted to \$1.107.4 billion. (Manila Bulletin)

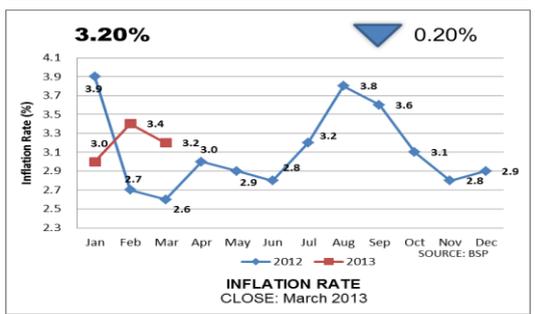
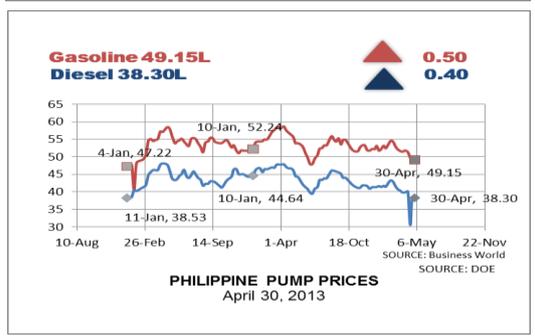
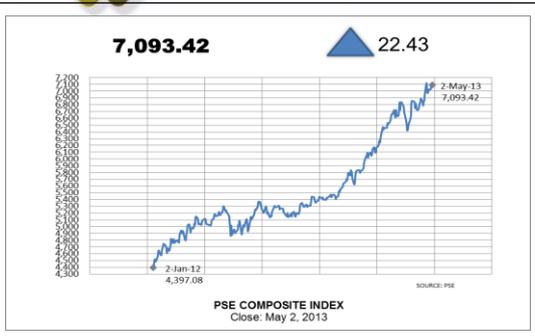
INDUSTRY BUZZ

U.S. auto makers gain as truck sales kick in

U.S. pickup truck sales boomed in April, contributing to double-digit sales gains at Detroit auto makers as improving home construction spurred new-vehicle purchases by contractors and tradesmen. Chrysler Group LLC said Wednesday that sales of its Ram pickups rose 49% in April from a year earlier, while Ford Motor Co. said its F-series truck sales jumped 24%. At General Motors Co., combined sales of its Silverado and GMC Sierra climbed 23%. Overall, industry sales for April rose 8.5% from a year earlier to 1.285 million cars and light trucks, according to researcher Autodata Corp. (Wall Street Journal)

Bentley Continental GT bags Motor Klassik award 2013

For the second year in a row, Bentley's Continental GT was selected "Classic Car of the Future" in the coupe category by readers of the prestigious Motor Klassik magazine, a publication of Motor Presse Stuttgart. More than 22,000 participants voted in both the print and online editions of the magazine, choosing from 60 cars in six "classic car" categories and from 54 cars in nine "classic cars of the future" categories. The award was presented at the Motor Klassik gala award ceremony at Schloss Dyck in Jüchen, Westphalia, on April 9. (Philippine Daily Inquirer)



| | Thursday, 2 May 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 | 6.94% | 6.95% | 7.79% |

