

DASHBOARD

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MACROECONOMIC SNAPSHOT

April inflation is slowest in 13 months

Inflation in April settled at its slowest pace in 13 months as the decline in fuel prices tempered the increase in the cost of other commodities and favorable farm output boosted the supply of some food products. Consumer prices increased by an average 2.6 percent in April—the slowest since the 3 percent recorded in the same month last year—to bring down the average for the first four months of this year to 3 percent, the National Statistics Office reported Tuesday. The latest four-month average stood at the bottom of the central bank's official target range for the year of 3 to 5 percent. According to Governor Amando Tetangco Jr. of the Bangko Sentral ng Pilipinas, price movements so far in the year gave comfort that, barring any unexpected developments, inflation would be modest at least over the short term. (Philippine Daily Inquirer)

Q1 state subsidies decline 25%

The Aquino administration's expenses in subsidizing the operations of state-owned, and controlled corporations dropped by a fourth in the first three-months of the year. Data from the Bureau of Treasury showed yesterday that the national government spent P4.23 billion in subsidies in January to March 2013, lower by 25 percent compared with P5.63 billion in the same period last year. In March alone, the government's subsidies reached P1.16 billion, well below by 72 percent compared with P4.1 billion on the same month a year before. (Manila Bulletin)

Gov't allots P29-B for tourism infrastructure

The government is spending P29 billion—P12 billion this year and P17 billion in 2014—on a tourism infrastructure program that will connect tourist spots to major roadways. The program is being implemented by the departments of tourism and of public works and highways. "DPWH will be building roads in areas identified in the national tourism plan in order to improve the travel experience for tourists. This is the first time that the government has set a dedicated budget for tourism infrastructure," Tourism Secretary Ramon Jimenez Jr. told reporters. "We want to connect tourism areas as much as we can so tourists can have a fun experience." (Philippine Daily Inquirer)

FINANCIAL TRENDS

Stocks extend losses on continued profit taking

Profit taking further pulled down the stock market today even after making a rally to the 7,200 level. The bellwether Philippine Stock Exchange index fell by 0.34 percent or 24.56 points to 7,146.12. The broader all-share index dipped by 0.41 percent or 18.26 points 4,461.69. Trading volume reached 5.66 billion shares worth P6.69 billion (\$163.72 million) with 112 stocks declining, 67 advancing, while 35 were unchanged. (The Philippine Star)

P/\$ rate closes at P 40.87/\$1

The peso exchange rate closed higher at P40.87 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P40.915 the previous day. The weighted average rate depreciated to P40.901 from P40.865. Total volume amounted to \$872.45 million. (Manila Bulletin)

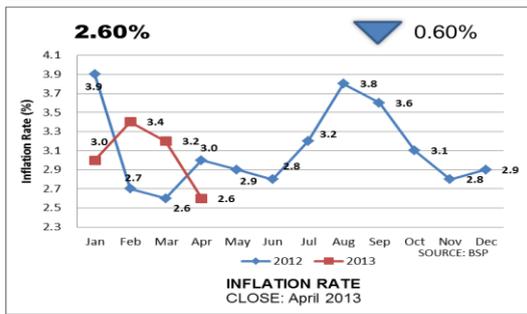
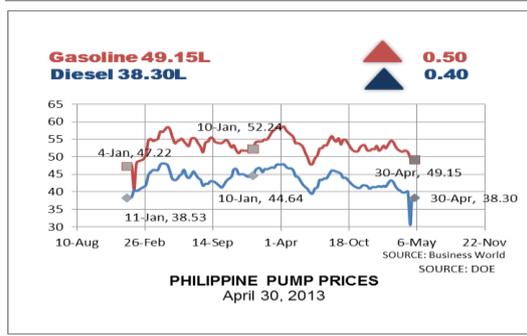
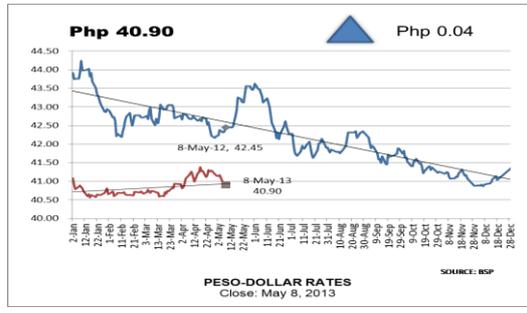
INDUSTRY BUZZ

Ford sales up 63% in April

Sales of Ford Philippines rose 63 percent year-on-year in April, driven by the strong demand for its vehicle models. In a statement yesterday, the company said it sold 1,101 vehicles in April, more than the 677 units in the same month last year. Ford Philippines attributed its higher sales performance in April to the market's reception of its vehicle models. "Our full Ford line-up of cars, trucks and SUVs (sports utility vehicles) is appealing to a wide range of customers, and the recent launch of our range-topping Ranger Wildtrak and upgraded Explorer have really added to our momentum," Ford Philippines outgoing president Randy Krieger said. (The Philippine Star)

Auto parts exports seen to recover

The country's motor vehicle exports are expected to grow by 16 percent this year, a strong turnaround from last year's negative growth as demand for motor vehicles worldwide improved. Ferdi Raquelsantos, president of the Motor Vehicle Parts Manufacturers Association of the Philippines (MVPMPA), said that car companies are increasing production in North America, particularly Mexico and Brazil. Exports in ASEAN are also getting stronger, Raquelsantos said. (Manila Bulletin)



	Tuesday, 7 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	6.70%	6.92%	7.79%

