



DASHBOARD

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MACROECONOMIC SNAPSHOT

Q2 deficit cap lowest for 2013

The government expects to post its narrowest deficit for 2013 during this quarter given a boost from income tax collections, Finance department data showed. According to the quarterly revenue program, a budget gap of P10.781 billion has been programmed for the April to June period, significantly narrower than the P73.875 billion, P59.795 billion, and P93.577 billion respectively set for the first, third, and fourth quarters. "[This is] because we expect income tax collections [to have increased] in April. Also, I think this is based on historical trends," National Treasurer Rosalia V. de Leon yesterday said. (BusinessWorld)

Stable inflation seen until 2015

Private sector economists polled by the Bangko Sentral ng Pilipinas shared the same view as the BSP's that the country would continue to enjoy modest and within-target inflation until 2015. Results of the survey, which the BSP conducted among economists of various private financial institutions in March, showed that their mean projection for inflation stood at 3.5 percent for this year, 3.8 percent for 2014 and 3.7 percent for 2015. The latest forecasts were slightly more favorable than those recorded in the central bank's previous quarterly survey, which showed that the inflation rates for 2013, 2014 and 2015 would likely average at 3.6 percent, 3.9 percent and 3.8 percent. (Philippine Daily Inquirer)

Net portfolio inflows reach \$1.95-B

The Bangko Sentral ng Pilipinas (BSP) has registered \$1.95 billion worth of net foreign portfolio investments as of April 26, the latest data showed. Bulk of these flows went into the stock market, propelling prices to reach above the 7,000 level at the end of April. The central bank has two more days, April 29 and 30, before finalizing the hot money data for April. But as of April 26, the net foreign speculative funds have already reached \$885 million, reversing the net outflows registered in March of \$395.14 million. Philippine market watchers said the higher portfolio flows was boosted by the strong corporate earnings during the period and the anticipation of the country's second investment grade rating which on May 2, was announced by Standard & Poor's. (Manila Bulletin)

FINANCIAL TRENDS

New peak hit on poll optimism

The bourse pierced the 7,300 barrier to close at a new record high yesterday, buoyed by optimism over the generally peaceful conduct of midterm national and local elections last Monday. The Philippine Stock Exchange index (PSEi) added 51.08 points or 0.70% to 7,313.46 -- its 30th record-high closing for the year -- and notched a fresh intraday historic peak of 7,349.95. (BusinessWorld)

P/\$ rate closes at P41.08/\$1

The peso exchange rate closed higher at P41.08 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P41.12 last Friday. The weighted average rate depreciated to P41.163 from P41.099. Total volume amounted to \$960.5 million. (Manila Bulletin)

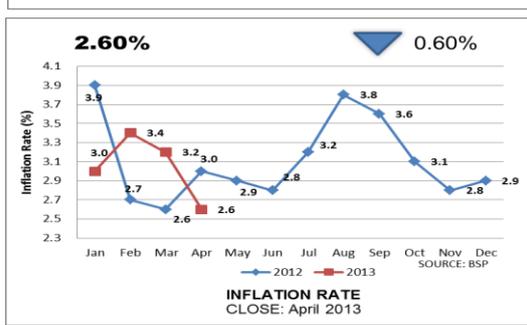
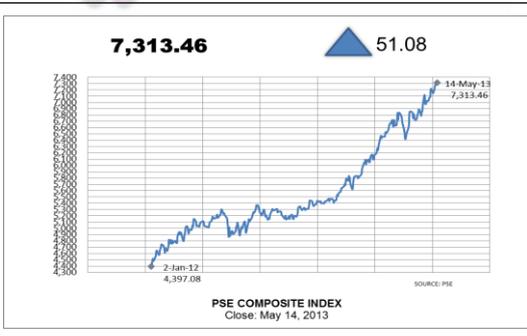
INDUSTRY BUZZ

4-month vehicle sales climb 27%

Sales of motor vehicles slightly decreased in April, but this did not dampen the year-to-date performance as industry sales went up 27.4 percent to 56,590 units from 44,428 units in 2012 boosted by the strong 40.9 percent increase from the passenger car segment. A joint report from the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and Truck Manufacturers Association (TMA) showed that April sales slightly declined by 1.5 percent to 14,888 units from 15,110 units the previous month. The 27.4 percent increase in year to date sales was largely buoyed by the strong passenger car segment which sales reached 18,512 units or 40.9 percent higher than 13,139 units in the first four months of 2012. (Manila Bulletin)

Audi 1Q deliveries grow 6.8% in US, Asia, gloomy Europe

Despite the deteriorating economic climate in a number of European countries, Audi said it enjoyed a successful opening quarter with 369,494 deliveries to customers worldwide and revenues of \$15.24 billion in the first three months of 2013—nearly matching the previous year's record revenue level. Audi said its sales grew 6.8 percent on account of last year's 346,105-vehicle tally for the same period. The carmaker cited growth in Europe, Asia and North America for its performance. Audi said that models that contributed to its growth included the new A3, the A1 Sportback and the A4 line, as well as the Q3 and Q5 SUVs. (Manila Times)



	Friday, 10 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	0.22%	0.04%	3.85%
Lending Rates	6.91%	6.92%	7.79%

