



DASHBOARD

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AVID Daily E- News

May 17, 2013

Volume 5 No. 98

MACROECONOMIC SNAPSHOT

2013 investment 'avalanche' seen

The Philippine manufacturing sector will see an "avalanche of investments" this year, with projected revenues reaching \$1 billion, a renowned economist said on Wednesday. Bernardo Villegas told the 2013 Asia CEO Awards launch that the manufacturing sector will compete with the services sector in pushing up gross domestic product (GDP). But he also said the country must make the necessary adjustments to take full advantage of the expected economic growth by setting up more economic zones and more infrastructure projects and economic-policy changes. The bulk of the anticipated investments is expected to come from the Philippines's neighboring countries. (Business Mirror)

OFW inflows up 3% to \$1.749-B in March

Remittances from overseas Filipino workers (OFWs) went up three percent to \$1.749 billion in March from \$1.69 billion a year ago, recording the slowest expansion since August 2009 when remittances grew 2.8 percent, the Bangko Sentral ng Pilipinas (BSP) reported yesterday. For the first three months of the year, dollar remittances rose 5.6 percent to \$5.112 billion, still above the BSP's five-percent growth outlook for 2013. The BSP expects cash remittances from Filipinos abroad to grow five percent this year. Cash remittances in 2012 reached \$21.39 billion, up 6.3 percent from a year earlier. (The Philippine Star)

Incentive phase out for 3 industries

The Department of Finance (DOF) said yesterday that the agency is very keen for the exclusion of key industries from the 2013 Investment Priorities Plan (IPP). Finance Undersecretary Jeremias N. Paul Jr. said that the fiscal authorities will push for the removal of shipbuilding, iron and steel, motor vehicle manufacturing sectors from the IPP list for this year. "Some of these have long been mainstays of the past IPPs," Paul said, referring to industries of shipbuilding, iron and steel, motor vehicle manufacturing. Paul said that the DOF in discussion with the affected sectors as well as with the Board of Investments (BOI) to resolve their conflicting positions on the proposed 2013 IPP list. "No final decision yet on IPP 2013 as industry discussions are ongoing," Paul said in a text message. (Manila Bulletin)

FINANCIAL TRENDS

Profit taking ends five-day rally

Investors yesterday started taking profits, capping the market's five-day rally that ended with two days of record-high closing. The bellwether Philippine Stock Exchange index (PSEi) plunged by 81.26 points or 1.10% to 7,310.94, while the broader all-share index lost 54.61 points to 1.20% to 4,512.47. (BusinessWorld)

P/\$ rate closes at P41.225/\$1

The peso exchange rate closed lower at P41.225 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEX) from P41.20 the previous day. The weighted average rate depreciated to P41.192 from P41.17. Total volume amounted to \$895.6 million. (Manila Bulletin)

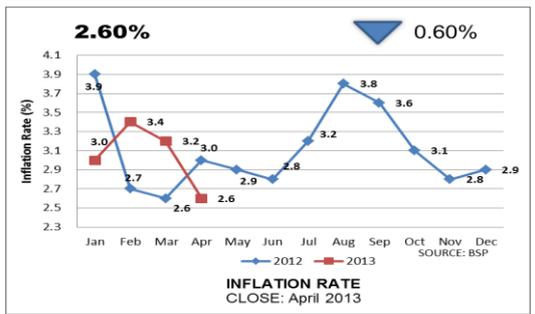
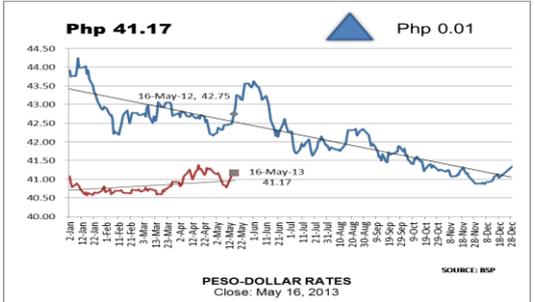
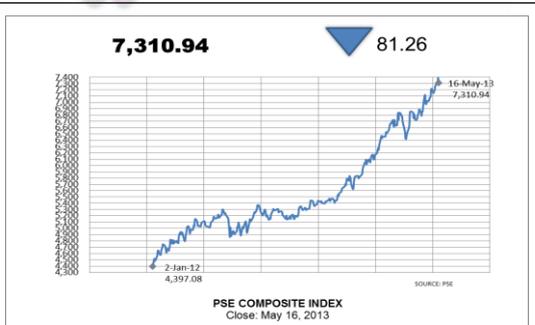
INDUSTRY BUZZ

ACC offers new FlexiLease option for BMW ownership

Why buy a new car and tie up a big part of your financial resources when you can lease and get the same car of your dreams at a fraction of the upfront cost? That is the proposition put forward by Asian Carmakers Corp. (ACC), the official importer and distributor of BMW vehicles in the Philippines, which believes there is a market in the Philippines that is looking for other ways to get their hands on the latest models churned out by the manufacturing facilities of German automaker BMW. With the FlexiLease program, interested individuals and corporate customers need only to put down a refundable deposit of 10 percent of the BMW model's value, sign a lease of between 24 and 36 months and they can already get their chosen BMW vehicle within five to seven working days. (Philippine Daily Inquirer)

Volkswagen expanding China auto production

Volkswagen AG said on Monday it would build a new plant in Changsha, in China's Hunan province, as part of plans to expand its production capacity in the country to four million vehicles annually. The proposed factory would have the capacity to build 300,000 vehicles a year and would start production in 2016, a spokesman for the German auto maker said. China is the largest market for Volkswagen, which has plans to increase annual production capacity in China to four million cars from the current 2.6 million by 2018. Around one in five new vehicles sold in China carry VW brands. (Wall Street Journal)



| | Wednesday, 15 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 | 6.93% | 6.83% | 7.79% |

